

7 April 1955

COPY

MEMORANDUM FOR: Legislative Counsel

SUBJECT : Proposed Legislation Affecting Military Personnel

REFERENCES : a. H.R. 2436, To provide hospitalization and medical care for dependents of members of the uniformed services, and for other purposes.

b. H.R. 4720, To provide incentives for members of the uniformed services by increasing certain pays and allowances. (Career Incentive Act of 1955)

c. S. 936, to provide incentives for members of the uniformed services by increasing certain pays and allowances. (Career Incentive Act of 1955)

In response to your request, we have reviewed the Bills referenced above. While these proposals are of interest to individuals detailed to this Agency while in an active military status, we do not consider them of direct interest to Agency personnel activities. No further action by your Office is recommended.

Harrison G. Reynolds  
Director of Personnel

COMPLETE

Approved For Release 2002/10/09 : CIA-RDP59-00224A000200310001-9

NOTICE OF PENDING LEGISLATION

LEGISLATIVE BILL NO.  
H. R. 4720

SECTION I

GENERAL

TO :

FROM: LEGISLATIVE COUNSEL  
OFFICE OF GENERAL COUNSEL

THE ATTACHED BILL, WHICH HAS BEEN INTRODUCED INTO CONGRESS, IS:

☐ SENT TO YOU FOR INFORMATION ONLY.

☐ A BILL ON WHICH FAVORABLE CONGRESSIONAL ACTION ☒ IS ☐ IS NOT PREDICTED.

☒ SENT FOR YOUR COMMENT AS TO WHETHER IT IS OF INTEREST TO CIA ACTIVITIES, AND WHETHER FURTHER ACTION BY THIS OFFICE IS NECESSARY OR DESIRED.

IT IS REQUESTED THAT COMMENTS CONCERNING THIS LEGISLATION BE FORWARDED, THROUGH APPROPRIATE CHANNELS, TO THIS OFFICE, BY

SECTION II

COMMENTS (From Original Addressee)

TO : LEGISLATIVE COUNSEL  
OFFICE OF GENERAL COUNSEL

FROM:

11 March 1955

84/1

An Act

To provide incentives for members of the uniformed services by increasing certain pays and allowances.

Distribution:



31 March '55

H Rept 90  
passed House  
10 Mar 55

S Kpt 125-3 Per  
passed Senate  
30 Mar 55

Senate Hearing <sup>HR</sup> 4720  
1. Per - 13 May 55

PL 20, 31 Mar 55-3 Per  
House Hearing held on  
HR-2607 - same rule +  
sent 13 May 55

DATE OF COMMENTS

SIGNATURE AND TITLE

EXTENSION

Approved For Release 2002/10/09 : CIA-RDP59-00224A000200310001-9

Approved For Release 2002/10/09 : CIA-RDP59-00224A000200310001-9  
Public Law 20 - 84th Congress  
Chapter 20 - 1st Session  
H. R. 4720

AN ACT

To provide incentives for members of the uniformed services by increasing certain pays and allowances.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Career Incentive Act of 1955".

SEC. 2. The Career Compensation Act of 1949 (63 Stat. 804), as amended, is further amended as follows:

(1) Section 201 (a) is amended by striking out the tables therein and inserting the following in lieu thereof:

"COMMISSIONED OFFICERS"

"Pay grade"	Years of service						
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10
O-8.....	\$963.30	\$963.30	\$1,021.80	\$1,021.80	\$1,021.80	\$1,021.80	\$1,021.80
O-7.....	800.28	800.28	850.20	850.20	850.20	850.20	850.20
O-6.....	592.80	592.80	631.80	631.80	631.80	631.80	631.80
O-5.....	474.24	474.24	507.00	507.00	507.00	507.00	507.00
O-4.....	400.14	400.14	429.00	429.00	429.00	452.40	483.60
O-3.....	326.04	326.04	351.00	374.40	374.40	421.20	436.80
O-2.....	259.86	274.18	335.40	335.40	351.00	366.60	382.20
O-1.....	222.30	237.12	296.40	296.40	312.00	327.60	343.20

"Pay grade"	Years of service						
	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
O-8.....	\$1,021.80	\$1,021.80	\$1,021.80	\$1,021.80	\$1,021.80	\$1,021.80	\$1,076.40
O-7.....	850.20	850.20	850.20	850.20	850.20	904.80	967.20
O-6.....	631.80	631.80	655.20	717.60	748.80	780.00	811.20
O-5.....	530.40	561.60	577.20	608.40	639.60	670.80	670.80
O-4.....	499.20	514.80	530.40	561.60	577.20	592.80	592.80
O-3.....	452.40	468.00	483.60	499.20	514.80	514.80	514.80
O-2.....	397.80	413.40	413.40	413.40	413.40	413.40	413.40
O-1.....	358.80	374.40	374.40	374.40	374.40	374.40	374.40

"WARRANT OFFICERS"

"Pay grade"	Years of service						
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10
W-4.....	\$332.90	\$354.90	\$354.90	\$354.90	\$370.50	\$386.10	\$401.70
W-3.....	302.64	323.70	323.70	323.70	331.50	339.30	347.10
W-2.....	264.82	280.80	280.80	280.80	288.60	304.20	319.80
W-1.....	219.42	251.20	251.20	251.20	263.80	286.30	294.10

69 Stat. 18.

69 Stat. 19.

"Pay grade"	Years of service						
	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
W-4.....	\$421.20	\$452.40	\$468.00	\$483.60	\$499.20	\$514.80	\$530.40
W-3.....	358.80	374.40	382.20	405.60	428.00	443.60	459.20
W-2.....	335.40	350.00	357.80	373.40	389.00	404.60	420.20
W-1.....	305.80	313.60	321.40	337.00	352.60	368.20	383.80

## "ENLISTED PERSONS"

Pay grade	Years of service						
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10
E-7	\$206.39	\$222.30	\$222.30	\$240.10	\$257.90	\$257.50	\$261.30
E-6	175.81	187.20	187.20	195.00	214.50	222.30	234.00
E-5	145.24	163.80	163.80	183.30	191.10	202.80	210.90
E-4	122.30	140.40	140.40	159.90	167.70	179.40	187.20
E-3	99.37	117.00	117.00	132.60	140.40	148.20	156.00
E-2	85.80	101.40	101.40	109.20	117.00	124.80	132.60
E-1	83.20	98.80	98.80	106.60	106.60	106.60	106.60
E-1 (under 1 months)	78.00						

  

Pay grade	Years of service						
	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
E-7	\$273.00	\$280.80	\$288.60	\$304.20	\$319.80	\$335.40	\$335.40
E-6	241.80	249.60	257.40	273.00	288.60	288.60	288.60
E-5	218.40	226.20	234.00	241.80	257.50	257.50	257.50
E-4	195.00	202.80	210.60	218.40	218.40	218.40	218.40
E-3	159.90	163.80	163.80	163.80	163.80	163.80	163.80
E-2	132.60	132.60	132.60	132.60	132.60	132.60	132.60
E-1	106.60	106.60	106.60	106.60	106.60	106.60	106.60

37 USC 232.

(2) Section 201 is further amended by redesignating subsections "(d)" and "(e)" as "(c)" and "(d)", respectively.

(3) Section 201 is further amended by adding the following new subsections:

10 USC ch. 19,  
passim.  
34 USC 850a  
note.

"(e) Aviation cadets enlisted or appointed under the Army Aviation Cadet Act (55 Stat. 239), as amended, or under the Naval Aviation Cadet Act of 1942 (56 Stat. 737), as amended, are entitled to monthly pay at the rate of 50 per centum of the basic pay of a commissioned officer in pay grade O-1 with under two cumulative years of service.

"(f) Any officer serving on active duty in the grade of lieutenant general or vice admiral shall, in addition to the pay and allowances to which he is entitled by the provisions of this Act, be entitled to an additional increment of basic pay in an amount of \$100 per month. Any officer serving on active duty in the grade of general or admiral shall, in addition to the pay and allowances to which he is entitled by the provisions of this Act, be entitled to an additional increment of basic pay in an amount of \$200 per month. The additional increments provided by this subsection shall not be considered a part of the active duty pay or of the monthly basic pay of these grades for the purpose of the computation of retired pay."

Hazardous  
duties.  
37 USC 235.

(4) Section 204 (a) is amended by—

(A) striking out the word "part" in clause (3) and inserting the word "clause" in lieu thereof;

(B) striking out the word "and" at the end of clause (8);

(C) striking out the period at the end of clause (9) and inserting a semicolon in lieu thereof; and

(D) adding the following new clauses:

"(10) duty as low-pressure chamber inside observer;

"(11) duty as human acceleration or deceleration experimental subject; and

"(12) duty involving the use of helium-oxygen for a breathing mixture in the execution of deep-sea diving."

(5) Section 204 (b) is amended to read as follows:

"(b) For the performance of hazardous duty as prescribed in clause (1) or (2) of subsection (a) of this section, a member of a uniformed

69 Stat. 19,  
69 Stat. 20.

service qualifying for incentive pay thereunder is entitled to pay at a monthly rate as follows:

"INCENTIVE PAY FOR HAZARDOUS DUTY PERFORMED UNDER SECTION 204 (A) 37 USC 235.  
(1) AND (2)

"COMMISSIONED OFFICERS

"Pay grade	Years of service						
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10
O-8.....	\$155.00	\$155.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00
O-7.....	150.00	150.00	160.00	160.00	160.00	160.00	160.00
O-6.....	200.00	200.00	215.00	215.00	215.00	215.00	215.00
O-5.....	190.00	190.00	205.00	205.00	205.00	205.00	205.00
O-4.....	170.00	170.00	185.00	185.00	185.00	185.00	210.00
O-3.....	145.00	145.00	155.00	165.00	160.00	185.00	190.00
O-2.....	115.00	125.00	150.00	150.00	160.00	165.00	170.00
O-1.....	100.00	105.00	135.00	135.00	140.00	145.00	155.00

"Pay grade	Years of service						
	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
O-8.....	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00
O-7.....	160.00	160.00	160.00	160.00	160.00	160.00	160.00
O-6.....	215.00	215.00	220.00	245.00	245.00	245.00	245.00
O-5.....	210.00	225.00	230.00	245.00	245.00	245.00	245.00
O-4.....	215.00	220.00	230.00	240.00	240.00	240.00	240.00
O-3.....	200.00	205.00	205.00	205.00	205.00	205.00	205.00
O-2.....	180.00	185.00	185.00	185.00	185.00	185.00	185.00
O-1.....	160.00	170.00	170.00	170.00	170.00	170.00	170.00

"WARRANT OFFICERS

"Pay grade	Years of service						
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10
W-4.....	\$115.00	\$115.00	\$115.00	\$115.00	\$120.00	\$125.00	\$135.00
W-3.....	110.00	115.00	115.00	115.00	120.00	120.00	125.00
W-2.....	105.00	110.00	110.00	110.00	110.00	120.00	125.00
W-1.....	100.00	105.00	105.00	105.00	110.00	120.00	125.00

"Pay grade	Years of service						
	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
W-4.....	\$145.00	\$155.00	\$160.00	\$165.00	\$165.00	\$165.00	\$165.00
W-3.....	135.00	140.00	140.00	140.00	140.00	140.00	140.00
W-2.....	130.00	135.00	135.00	135.00	135.00	135.00	135.00
W-1.....	130.00	130.00	130.00	130.00	130.00	130.00	130.00

"ENLISTED PERSONNEL

"Pay grade	Years of service						
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10
E-7.....	\$80.00	\$85.00	\$85.00	\$85.00	\$90.00	\$95.00	\$100.00
E-6.....	70.00	75.00	75.00	80.00	85.00	90.00	95.00
E-5.....	60.00	70.00	70.00	80.00	80.00	85.00	90.00
E-4.....	55.00	65.00	65.00	70.00	75.00	80.00	80.00
E-3.....	55.00	60.00	60.00	60.00	60.00	60.00	60.00
E-2.....	50.00	60.00	60.00	60.00	60.00	60.00	60.00
E-1.....	50.00	55.00	55.00	55.00	55.00	55.00	55.00
E-1 (under 4 months).....	50.00						
Aviation cadets..	50.00						

69 Stat. 20.  
69 Stat. 21.

Pub. Law 20

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"INCENTIVE PAY FOR HAZARDOUS DUTY PERFORMED UNDER SECTION 204 (A)  
(1) AND (2)—Continued

"ENLISTED PERSONNEL—Continued

"Pay grade	Years of service						
	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
E-7	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00
E-6	95.00	100.00	100.00	100.00	100.00	100.00	100.00
E-5	95.00	95.00	95.00	95.00	95.00	95.00	95.00
E-4	80.00	80.00	80.00	80.00	80.00	80.00	80.00
E-3	60.00	60.00	60.00	60.00	60.00	60.00	60.00
E-2	60.00	60.00	60.00	60.00	60.00	60.00	60.00
E-1	55.00	55.00	55.00	55.00	55.00	55.00	55.00

37 USC 235.

(6) Section 204 (c) is amended to read as follows:

"(c) Officers and enlisted persons of the uniformed services who are qualified for the incentive pay authorized under subsection (a) are entitled to be paid at the rate of \$110 and \$55 per month, respectively, for the performance of any hazardous duty described in clauses (3) to (12) of subsection (a)."

(7) Section 204 (e) is repealed and subsection "(f)" is redesignated as "(e)".

37 USC 236.

(8) Section 205 (a) is amended by striking out the figures "\$5" and "\$30" and inserting in lieu thereof the figures "\$5.50" and "\$33", respectively.

(9) Section 205 (b) is amended by striking out the figure "\$5" and inserting the figure "\$5.50" in lieu thereof.

(10) Section 205 (c) is amended by adding the following at the end thereof: "However, receipt of incentive pay under that section does not bar the member from entitlement to \$5.50 for each hour or fraction thereof in addition to basic pay, as authorized by subsection (b) of this section."

Travel and  
transportation  
allowances.  
37 USC 253.

(11) The last sentence of section 303 (a) is amended by striking out the figure "\$9" in clause (2) and inserting in lieu thereof the figure "\$12".

69 Stat. 21.  
69 Stat. 22.

(12) Section 303 (c) is amended by inserting the following at the end of the first sentence thereof: "Under such regulations as may be approved by the Secretary concerned, a member of a uniformed service whose dependents are authorized to move and actually move in connection with his permanent change of station shall be entitled to a dislocation allowance equal to his monthly basic allowance for quarters. However, the member shall be entitled to the payment of a dislocation allowance for not more than one permanent change of station during any fiscal year, except on the finding of the Secretary of the Department concerned that the exigencies of the service require more than one such change of station during any fiscal year. This limitation upon the payment of a dislocation allowance shall not apply to members of the uniformed services ordered to service schools as a permanent change of station. In addition, this limitation shall not be applicable in time of war or national emergency declared after the effective date of this amendatory Act. A member is not entitled to payment of a dislocation allowance when ordered from home to first duty station or from last duty station to home."

(13) Section 303 (c) of the Career Compensation Act is amended by adding at the end of such subsection the following: "In lieu of transportation of baggage and household effects, a member of a uni-

formed service who transports a house trailer or mobile dwelling within the continental United States for use as a residence and who would otherwise be entitled to transportation of baggage and household effects, under this section, shall under regulations prescribed by the Secretary concerned be entitled to a reasonable allowance, not to exceed 20 cents per mile, or to the dislocation allowance authorized in this section, whichever he shall elect."

(14) Section 508 is further amended to read as follows:

"Cadets at the United States Military Academy, midshipmen at the United States Naval Academy, cadets at the United States Air Force Academy, and cadets at the Coast Guard Academy shall be entitled to receive pay at the rate of 50 per centum of the basic pay established for a commissioned officer in pay grade O-1 with under two cumulative years' service, and to receive allowances as now or hereafter provided by law for midshipmen in the Navy, and to transportation, including reimbursement of traveling expenses, while traveling under orders as a cadet or midshipman."

Cadets and  
midshipmen.  
37 USC 308.

(15) Section 202 (d) is amended by striking out the period at the end thereof, inserting a comma and adding the following: "including retired enlisted men advanced to commissioned officer rank on the retired list by virtue of the Act of May 7, 1932 (Public Law 123, Seventy-second Congress)."

Creditable  
service.  
37 USC 233.

SEC. 3. Section 4 of the Naval Aviation Cadet Act of 1942, as amended (34 U. S. C. 850c), is amended by--

47 Stat. 150.  
10 USC 1028c.  
63 Stat. 837.

(1) striking out the first sentence; and

(2) amending the second sentence to read as follows: "Aviation cadets, while on active duty, are entitled to the same allowances for subsistence now or hereafter provided for officers of the Navy, and shall, while on active duty, be furnished quarters, medical care, and hospitalization, and have issued to them uniforms, clothing, and equipment at Government expense."

SEC. 4. Section 4 of the Army Aviation Cadet Act, as amended (10 U. S. C. 303, 304, 304b), is amended by--

63 Stat. 837.

(1) striking out the first sentence; and

(2) amending the second sentence to read as follows: "Aviation cadets, while on active duty, are entitled to the same allowances for subsistence now or hereafter provided for officers of the Army, and shall, while on active duty, be furnished quarters, medical care, and hospitalization, and have issued to them uniforms, clothing, and equipment at Government expense."

SEC. 5. Any person now or hereafter entitled to retired pay, retirement pay, retainer pay, or equivalent pay (including persons entitled to temporary disability retirement pay) computed at the rates prescribed in section 201 (a) of the Career Compensation Act of 1949 shall be entitled to have his pay computed at the rates prescribed by that section, as amended by this Act. For the purposes of that computation, an officer with less than three years of service for pay purposes, or a warrant officer or an enlisted person with less than two years of service for pay purposes, retired for physical disability or placed on the temporary disability retired list, shall have those rates increased by 6 per centum.

Retired pay.  
37 USC 232.

69 Stat. 22.  
69 Stat. 23.

SEC. 6. Members and former members of the uniformed services who are entitled to receive retired pay, retirement pay, retainer pay, or equivalent pay under laws in effect prior to October 1, 1949, shall be entitled to an increase of 6 per centum of the retired pay, retirement

Pub. Law 20

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All 69 Stat. 23.

pay, retainer pay, or equivalent pay, to which they are now entitled.  
Effective date. SEC. 7. This Act shall become effective on the first day of the month following the date of enactment of this Act.

restriction.

SEC. 8. No person, active or retired, in any of the uniformed services, including a reserve component thereof and the National Guard, shall suffer by reason of this Act any reduction in basic or retired pay to which he was entitled upon the effective date of this Act.

Approved March 31, 1955.

GPO 55139



## Calendar No. 128

84TH CONGRESS }  
1st Session }

SENATE

{ REPORT  
No. 125

### CAREER INCENTIVE ACT OF 1955

MARCH 29, 1955.—Filed under the authority of the order of the Senate of March 28, 1955 (legislative day March 10) and ordered to be printed

Mr. RUSSELL, from the Committee on Armed Services, submitted the following

### REPORT

[To accompany H. R. 4720]

The Committee on Armed Services, to whom was referred the bill H. R. 4720, to provide incentives for members of the uniformed services by increasing certain pays and allowances, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

#### AMENDMENTS TO THE BILL

On page 3, line 5, strike out the word "subsection" and insert in lieu thereof the word "subsections".

On page 3, at the end of line 12 strike "service." and insert "service."

On page 3, between lines 12 and 13, insert the following:

(f) Any officer serving on active duty in the grade of lieutenant general or vice admiral shall, in addition to the pay and allowances to which he is entitled by the provisions of this Act, be entitled to an additional increment of basic pay in an amount of \$100 per month. Any officer serving on active duty in the grade of general or admiral shall, in addition to the pay and allowances to which he is entitled by the provisions of this Act, be entitled to an additional increment of basic pay in an amount of \$200 per month. The additional increments provided by this subsection shall not be considered a part of the active duty pay or of the monthly basic pay of these grades for the purposes of the computation of retired pay.

On page 7, between lines 10 and 11, insert the following:

(13) Section 303 (c) of the Career Compensation Act is amended by adding at the end of such subsection the following: "In lieu of transportation of baggage and household effects, a member of a uniformed service who transports a house

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trailer or mobile dwelling within the continental United States for use as a residence and who would otherwise be entitled to transportation of baggage and household effects, under this section, shall under regulations prescribed by the Secretary concerned be entitled to a reasonable allowance, not to exceed 20 cents per mile, or to the dislocation allowance authorized in this section, whichever he shall elect".

On page 7, line 11, strike "(13)" and insert "(14)".

On page 7, line 22, strike "(14)" and insert "(15)".

#### PURPOSE OF COMMITTEE AMENDMENTS

The committee amended the bill by providing that officers in the grade of lieutenant general or equivalent will receive an increase in their monthly active duty pay of \$100 and officers in the grade of general and equivalent will receive an additional monthly increment of \$200. These increases would apply only to their active duty pay and not to their retired pay.

There are in the Department of Defense 76 officers in the grade of lieutenant general or equivalent and 26 in the grade of general or equivalent. All of these officers occupy the highest positions of military responsibility. The committee was of the opinion that the \$100 and \$200 increases, which would be in addition to the increases they would receive as major generals under the revised basic pay scales, were fully justified in view of the key positions occupied by these leaders.

The committee also added amending language which provides that members who reside in a trailer, shall in lieu of the movement of their household effects on a permanent change of station, receive a mileage allowance not to exceed 20 cents per mile for the movement of a trailer used as a residence. It is further provided that the member electing to receive the trailer allowance would not be entitled to receive the authorized dislocation allowance. This amendment appeared equitable since servicemen who transport a trailer for use as a residence receive no allowance, even though other men of the same rank and rating may have their household effects shipped at Government expense on a permanent change of station.

The remaining committee amendments are technical, and were necessary for redesignation purposes.

#### PURPOSE OF THE BILL

The primary purpose of H. R. 4720 in providing for selective basic and hazardous pay increases is to reduce the immense turnover of personnel in the Armed Forces. Since the end of the Korean conflict the United States has maintained the largest Military Establishment in its peacetime history. There is no reason to believe that the need for such a large force will not continue for the indefinite future.

The most crucial military problem from the standpoint of personnel is to reduce the turnover which lowers the experience level and necessitates immense training costs. In his message to the Congress of January 13, 1955, the President commented on this problem as follows:

"To sustain our active forces at required levels of strength and efficiency, it is necessary to increase the present rate of voluntary enlistments. It is also necessary to induce volunteers, both officers and enlisted men, to continue in the service on a career basis in order

to obtain maximum usefulness from the skills and leadership which are achieved after long and costly training. The increasing mechanization and complexity of defense forces make technical skills and a wide background of experiences vastly more important than ever before."

#### ANALYSIS OF NEED FOR MILITARY PAY INCREASE LEGISLATION

##### *Extent of turnover in the Armed Forces*

The total enlisted personnel turnover in terms of actual gains and losses for 2 fiscal years, fiscal year 1954 and fiscal year 1955, are expected to be 3,713,000. These represent losses of 1,963,200 and gains of 1,749,800. For officers the total turnover for this same period is estimated to amount to 264,500. These represent losses of 143,700 and gains of 120,800.

The turnover figures should be compared with the fact that the personnel strength of the Armed Forces has remained fairly constant; as of June 30, 1954, the total strength was 3,302,104. As of June 30, 1955, it is expected to be 2,947,000. The bulk of the men leaving the service are first termers and it is not to be expected that all of this group would choose to enlist in the service. As indicated below, however, there is a downward trend with regard to those who might be reasonably expected to make military service a career.

##### *Low reenlistment rate*

During fiscal year 1954 the armed services experienced one of the lowest reenlistment rates in the history of the Nation. The composite rate for all reenlistments in the armed services during this period was 14.9 percent. In the Army the composite reenlistment rate for this period was only 11.6 percent, as compared with a rate of 41.2 percent in 1949.

In the Navy, for fiscal year 1954, the rate dropped to 23.7 percent and from July to December of 1954 the Navy rate was only 8.1 percent, the lowest recorded figure in Navy history. In fiscal year 1950 the Navy rate was 66 percent. From fiscal 1951 through 1953 the average rate was 61 percent.

The Air Force has also been experiencing a declining reenlistment rate. The average for fiscal years 1951 through 1953 was 56 percent; fiscal year 1954, 31.2 percent; and for the period July through December 1954, 22.4 percent.

During fiscal year 1955 approximately 1 million men will be eligible for separation from the armed services. Based on the present reenlistment rate it is anticipated that only about 200,000 individuals, or 20 percent of those eligible, will reenlist in the Armed Forces.

##### *Turnover in officer personnel*

For the 2 fiscal years 1954 and 1955 the total turnover in officer personnel for all of the armed services was 264,500. This represents losses of 143,700 and gains of 120,800.

There are cogent indications that military service is becoming less attractive for officers. In the Army during fiscal year 1954 only 21.8 percent of the distinguished graduates of ROTC and officer candidate programs who are eligible to apply for Regular commissions actually applied for such commissions. The application rate for

fiscal year 1949 was 54.4 percent. In the Navy, from among those eligible for Regular commissions from the NROTC, aviation cadet programs, and other officer programs, only 3.4 percent of the qualified personnel applied for Regular commissions. This figure contrasts with 7.2 percent for fiscal year 1953.

In the Air Force in fiscal year 1954, of the officers eligible to apply for Regular commissions from the AFROTC, aviation cadets and OCS programs, only 6 percent made applications. In fiscal year 1952 the application rate was 38.2 percent, and in fiscal year 1953, 11.6 percent.

The resignation rates of Regular officers in all services has shown a steady increase in the last several years.

*Need for increase in incentive pay for aircrew and submarine members*

There are a total of 110,000 officers in the military service who are qualified to receive incentive pay as an aircrew member. A total of 43,000 warrant officers and enlisted men are so qualified. In fiscal year 1955, based on the present rate, it is estimated that the armed services will lose by voluntary separation approximately 4,500 pilots, principally in the grades of first lieutenant, captain, and major. The minimum training cost of a jet pilot is \$120,000.

In the Air Force the problem of pilot turnover is such that it is necessary to train 2½ pilots in order to achieve an increase of 1 pilot.

It is significant to note that the fatality rates rise with the increased use of jet-propelled aircraft. Present statistics indicate that in 1954 there is 1 fatality out of each 5 major aircraft accidents; in 1930 the rate was only 1 out of 13; in 1947, 1 out of 8; in 1951, 1 out of 6.

The present fatality rates for jet aircrew are 16 per 100,000 flying hours as compared to 8 per 100,000 flying hours in propeller-driven aircraft. The military pilot fatality rate is 4 times that of civilian pilots of comparable experience.

With regard to insurance rates a survey of 10 leading companies indicated that 4 would give no coverage whatever to jet flyers with under 800 flying hours' experience. Where insurance was available such pilots had to pay an extra premium for insurance.

With respect to submarine pay, the need for an increased incentive is caused by the fact that there are presently too few volunteers of the needed caliber to maintain the required strength and experience level for submarine service which historically has been purely voluntary. Even though submarine fatality rates since World War II have not been great, the lack of attraction to the service has apparently been caused by the nature of the living conditions which those in such service must undergo.

The staffing of the submarine service with trained officers and men has become increasingly difficult. Since 1948 submarine school vacancies have doubled, while applications have decreased by one-third. In January 1948 there were 300 applicants and 60 officer vacancies. In January 1955 there were 201 applicants for 120 officer vacancies.

*Training costs*

The immense cost in training which is caused by the turnover in military personnel may be indicated by the following cost of training a serviceman for various duties:

- (1) \$3,200 for basic training of a soldier, which includes the 6 months' training before assignment to his first unit. This figure

includes pay and allowances, subsistence, clothing, and overhead, directly chargeable to the trainee and costs chargeable to the trainers.

- (2) \$9,000 for training a radio repairman in the Army.
- (3) \$8,900 for training an electronics technician in the Navy.
- (4) \$120,000 for training an F-94c fighter pilot, Air Force.
- (5) \$275,000 for training a B-47 pilot in the Air Force.

#### BASIC FEATURES OF THE BILL

##### 1. *Only certain elements of compensation increased*

The term "military compensation" includes all the elements of active duty remuneration; these are (a) basic pay, (b) incentive pay for the performance of hazardous duty and the various special pays (for physicians and dentists, for diving duty, sea and foreign duty for enlisted personnel, and the reenlistment bonus), and (c) allowances which are authorized for subsistence quarters, travel, and personal money.

H. R. 4720 would increase only the following elements:

- (a) The basic pay scales on a selective basis.
- (b) The incentive pay for aircrew and submarine members in varying amounts. The incentive pay for other types of hazardous duties is increased by 10 percent.
- (c) The authorized per diem allowance from \$9 to \$12 per day.
- (d) A dislocation allowance equal to 1 month's quarters allowance is authorized for men whose dependents move in connection with a permanent change in station, subject to certain limitations.

##### 2. *Selective increase in basic pay, cost, \$545 million*

The bill would provide an average increase in basic pay scales of approximately 11 percent for those receiving the increase. The range of percentage increases for officers is from 6 to 25 percent; for warrant officers, 6 to 22 percent; for enlisted men from 7 to 17 percent.

Details on the increase in terms of percentages and dollar amounts are contained in table A (which is printed at the end of the sectional analysis).

Several features of the newly proposed tables are of particular importance:

(a) There would be no increases in pay for enlisted men and warrant officers for their initial 2 years of service and for officers for their initial 3 years. These are the periods of obligated service for enlisted men and for most commissioned officers.

(b) The table proposes a greater pay differential between the various grades than exists under present law. This concept was recommended in order to provide a greater incentive for promotion. The tables themselves represent the amounts recommended by the Hook Commission in 1949, increased by 4 percent in each pay grade, to which have been added the longevity pattern noted in (c).

(c) Extra in-grade increases have been provided at selected points of service within the normal promotional career pattern.

The Department of Defense estimates that the annual additional cost of the increase in the basic pay scales, excluding retired pay, will be \$545 million for the Department of Defense.

*3. Selective increases in incentive pay for aircrew and submarine members, cost, \$85 million*

The incentive pay for aircrew and submarine members is increased for all grades in varying degrees. The increases were determined by applying certain multipliers to each bracket of the increased basic pay scales. This results in the establishment of a direct relationship of incentive pay to basic pay. In the lower commissioned and all enlisted grades, where the greatest turnover is presently occurring, multipliers are increased. It is significant that 95 percent of the increases in incentive pay would go to the grades of major and below. Detailed comparisons will be found in table C at the end of the sectional analysis.

*4. Ten-percent increase for other hazardous duties and the designation of three new duties as hazardous, cost, \$4,213,000*

For the various other incentive pays, which under present law receive a flat sum for performance, the bill proposes a 10-percent increase.

The bill proposes three new types of duties which will qualify for incentive pay. These are:

- (1) Duty as low-pressure chamber inside observer;
- (2) Duty as human acceleration or deceleration experimental subject; and
- (3) Duty involving the use of helium-oxygen for a breathing mixture in the execution of deep-sea diving.

These duties are relatively new and involve a small number of people.

The Department of Defense estimated the annual additional cost of incentive pay other than for aircrew and submarine members, and aviation cadets, would be \$4,213,000.

*5. Increase in pay for aviation cadets, cost, \$5,216,000 (basic and incentive)*

The bill increases the pay of aviation cadets and places them under the Career Compensation Act for pay purposes. In lieu of the present flat pay rate of \$109.20 per month, the bill entitles aviation cadets to receive half the pay of a second lieutenant with less than 2 years of service and \$50 per month as incentive pay. This total amounts to \$161.15 per month including flight pay. The cadets are authorized flight pay only while engaged in aerial training, which would exclude time spent in preflight instruction.

The Department of Defense estimates the total increase in the proposed basic and incentive pay increase would be \$5,216,000.

*6. Increase in pay for midshipmen, military, Air Force, and Coast Guard cadets, cost, \$2,541,000*

This provides an increase in pay for the cadets at the United States Military Academy, midshipmen at the United States Naval Academy, cadets at the United States Air Force Academy, and cadets at the United States Coast Guard Academy. Cadets will be entitled to receive pay at the rate of 50 percent of the basic pay of a second lieutenant with under 2 cumulative years of service. Such pay would be \$111.15 per month, which represents a gross increase of \$30.03 per month over the present pay of \$81.12 per month.

Department of Defense testimony indicated that under present rates of pay cadets have an average 4-year deficit of about \$300, because

of the necessity of their purchase of books, personal articles, and uniforms and equipment. The proposed increase would provide each cadet and midshipman with an average of \$845 at the end of 4 years with which to purchase uniforms and equipment for use as officers.

7. *Increases in pay for retired personnel, cost, \$50,525,000*

The bill provides that for those people retired under the Career Compensation Act of 1949, as amended, their retired pay will be re-computed based upon the newly established basic pay rate of H. R. 4720.

For persons who are retired under laws in effect prior to October 1, 1949, the bill provides a 6-percent increase in their retired pay.

The bill further provides that all officers retired with less than 3 years of service for physical disability and all enlisted men retired with less than 2 years of service for physical disability will receive a 6-percent increase.

The Department of Defense estimates the total increase in annual cost for retired personnel under the bill to be approximately \$51 million.

8. *Dislocation allowance, cost, \$37,814,000*

The bill authorizes a dislocation allowance for which there is no present authority. Pursuant to Secretarial regulations and subject to certain limitations, members whose dependents move in connection with a permanent change of station are authorized to receive a dislocation allowance equal to the quarters allowance for 1 month. The quarters allowance ranges from \$85.50 to \$171 for officers, and from \$51.30 to \$96.90 for enlisted men.

The Department of Defense estimates the increase in the annual cost for dislocation allowance under the bill to be \$38 million.

9. *Increase in per diem allowance, cost, \$8,679,000*

The bill would increase the authorized per diem rate from \$9 to \$12 per day. This allowance is authorized when persons are traveling on Government business under orders and Government quarters and messes are not available.

The Department of Defense estimates the increase in the annual cost for per diem allowances under the bill to be \$9 million.

10. *Additional annual cost of H. R. 4720*

*Additional annual cost of H. R. 4720*

[Thousands of dollars]

	Army	Navy	Marine Corps	Air Force	Total
Base pay.....	\$178,209	\$151,422	\$34,075	\$181,391	\$545,097
Hazardous duty and special pay.....	5,101	23,012	3,547	57,732	89,392
Retired pay.....	24,554	18,994	1,755	5,222	50,525
Dislocation allowance.....	15,600	5,484	1,815	14,915	37,814
Per diem.....	5,551	1,500	174	1,464	8,679
Cadets and midshipmen.....	865	1,578		98	2,541
Total, Department of Defense.....	229,880	201,900	41,366	200,812	734,048
Total for Coast Guard, Coast and Geodetic Survey, and Public Health Service.....					11,700
Grand total.....					745,748

SECTIONAL ANALYSIS

SECTION 1. *Short title*

This section cites the short title of the bill as the "Career Incentive Act of 1955."

SEC. 2. *Amendments to Career Compensation Act of 1949, as amended*

This section consists of 14 numbered clauses amending various parts of the Career Compensation Act of 1949, as amended. The purpose of each amendment is contained in the explanation for the numbered clauses.

INCREASE IN BASIC PAY ON A SELECTIVE BASIS COST, \$545 MILLION

Clause (1) This clause increases the basic pay scales in the following selective manner:

(a) The bill provides for no increases for officers with under 3 years of service, and for warrant officers and enlisted men with under 2 years of service. These are the periods of obligated service.

(b) All officers, warrant officers, and enlisted men, other than those noted above, receive in each pay bracket throughout the 30-year pay scale a minimum increase of approximately 6 percent.

(c) In addition, extra in-grade increases have been awarded at selected points of service in the normal 30-year career pattern in order to provide an incentive to remain in military service. These and other special features are outlined below.

The bill would provide an average increase in basic pay scales of approximately 11 percent for those receiving the increase. The range of percentage increases for officers is from 6 to 25 percent; for warrant officers, 6 to 22 percent; for enlisted men from 7 to 17 percent.

Table A at the end of the sectional analysis compares the present pay scales with those provided by the bill in terms of dollars and percentages for each pay bracket.

NO INCREASE DURING PERIOD OF OBLIGATED SERVICE

The bill provides for no increase for enlisted men or warrant officers with under 2 years of service or for officers with under 3 years. Two years is the period of obligated service for inductees under present selective service. Three years is the obligated period for most commissioned officers upon their initial entry on active service. Increases authorized at the expiration of these periods are designed to offer greater incentive for making military service a career. A new pay column of over 3 years has been provided in order to award officers an increase at the end of their obligated service.

EXAMPLES OF BASIC PAY INCREASES

Set forth below are examples of the basic pay increases which would be received by each grade at selected years of service:



Years of service	Dollar increases in basic pay at typical years of service		
	Grade	Dollar increase over present basic pay	Percent increase over present basic pay
Over 30.....	Major general.....	\$83.46	8.41
Over 26.....	Brigadier general.....	74.88	9.02
Over 22.....	Colonel.....	81.90	12.28
Over 16.....	Lieutenant colonel.....	58.50	11.28
Over 10.....	Major.....	53.82	12.52
Over 6.....	Captain.....	49.92	14.04
Over 3.....	First lieutenant.....	61.22	22.33
Over 3.....	Second lieutenant.....	59.28	25.00
Over 22.....	W-4.....	45.24	9.97
Over 18.....	W-3.....	42.43	11.68
Over 12.....	W-2.....	47.89	16.66
Over 10.....	W-1.....	51.90	21.47
Over 12.....	E-7.....	28.39	11.61
Over 10.....	E-6.....	27.61	13.28
Over 8.....	E-5.....	26.99	15.35
Over 4.....	E-4.....	22.31	16.21
Over 2.....	E-3.....	9.98	9.33
Over 2.....	E-2.....	7.80	8.33
Over 2.....	E-1.....	7.80	8.57

## MANNER OF DETERMINING BASIC PAY INCREASE

The method of determining the basic pay increase can be summarized by the following steps which are more fully explained below:

1. The basic pay recommendations of the Hook Commission of 1949 were adopted as the starting point.
2. These recommendations were increased by 4 percent for each pay grade.
3. At selected points in the normal 30-year career pattern extra ingrade increases were awarded in order to provide incentive for remaining in military service:

## STEP NO. 1—HOOK COMMISSION RECOMMENDATIONS

As a starting point, the exact amount for each pay bracket as recommended, on December 10, 1948, by the Advisory Commission on Service Pay, known as the Hook Commission, was adopted. The Career Compensation Act as enacted in 1949 represented the Hook recommendations with certain reductions. The officer scales were reduced by 5 percent, those for warrant officer by 3 percent, and for enlisted men, 2 percent.

The only departure from the Hook recommendations is with respect to the basic pay for warrant officers (W-1) which in this bill is increased \$25 per month. This increase is authorized in order to insure that enlisted personnel would not receive a reduction in pay when advanced to the W-1 grade.

Further upward adjustment was made in the W-2 and W-3 warrant officer grades in order to provide an adequate differential between the warrant grades.

It is significant to note that the adoption of the Hook recommendations provides a greater differential in pay between each grade than exists under present law.

## STEP NO. 2—4 PERCENT INCREASE IN RECOMMENDATIONS

For enlisted men and warrant officers with more than 2 years of service and for officers with more than 3, all of the Hook recommendations were increased by 4 percent.

Under the original Hook recommendations officers and enlisted men after completing each 2 years of service received an arbitrary increase known as an ingrade increment. This was \$15 per month for officers and \$7.50 for enlisted men. After certain periods of service in each grade, however, no further longevity increases were recommended. The Career Compensation Act of 1949 adopted the ingrade pattern except that the increases were continued over a longer period of time than recommended for the officer grades of second lieutenant through major. The bill continues the ingrade increase pattern as enacted by the Career Compensation Act.

The 4 percent increase adjusts the pay grade structure to reflect the increases in basic pay authorized in 1952, authorized by the Armed Forces Pay Raise Act of 1952 (Public Law 346, 82d Cong.).

## STEP NO. 3—CAREER INCENTIVE INCREASES

At selected points in the pay scale which represent a normal career advancement pattern additional increases, which are referred to as "career incentive," increases are authorized. These are the points in years of service where an officer and enlisted man will be faced with the decision to continue his military career. The increases offer an additional monetary inducement to remain in service. Each career incentive increase for officers is \$15.60 per month and \$7.80 per month for enlisted men. These amounts are the same as the revised longevity increases provided for in the bill. For the officer grades O-1 (second lieutenant) and O-2 (first lieutenant) three incentive increases are authorized after the completion of 3 years of service. For the remaining officer grades one such increase is authorized at the pay brackets indicated as follows:

	Over	Over
	Years	Years
Captain .....	4	6
Major .....	8	10
Lieutenant colonel .....	12	14
Colonel .....	16	18
Brigadier general .....	26	30
Major general .....	30	

For enlisted men in the grades of E-4 through E-7 there were a total of 6 incentive increases (at \$7.80 each) authorized at various intervals in the career pattern; for the E-3, 4 such increases and for the E-2 there were 2.

## COST OF INCREASE IN BASIC PAY, \$545 MILLION

The Department of Defense estimates that the additional annual cost of the increase in basic pay provided in clause 1 will be \$545 million for the Department of Defense and a total of \$11,797,400 for the Coast Guard, Public Health Service, and Coast and Geodetic

Survey. The additional cost would cause an increase of approximately 12 percent in the fiscal year 1956 estimates for basic pay.

Table B sets forth the cost of the basic pay increase by grades for the Department of Defense along with the other items which will be increased as a result of the provision of basic pay.

*Clause (2) Technical amendment—redesignation of subsections*

This is a technical amendment in the form of an alphabetical redesignation of two subsections. On May 29, 1954, section 20 (n) of Public Law 379 (Warrant Officer Act of 1954) repealed section 201 (c) of the Career Compensation Act of 1949. This clause redesignates the present subsections (d) and (e) of section 201 as (c) and (d), respectively.

*Clause (3) Increase in pay for aviation cadets, cost, \$5,216,000 (basic and incentive)*

Under present law the authority for paying aviation cadets is not the Career Compensation Act of 1949, but section 4 of the Army Aviation Cadet Act of 1942 and section 4 of the Navy Aviation Cadet Act of 1944. These acts provide that the cadets will be paid at the rate of \$109.20 per month.

This clause, in adding a new subsection to section 201, places aviation cadets under the Career Compensation Act for pay purposes. It provides that the monthly pay of aviation cadets will be 50 percent of the monthly pay of a second lieutenant (O-1) with less than 2 years of service. This would be \$111.15. In addition to the basic pay, the cadet would be entitled to \$50 per month flight pay (authorized in clause 5), making a total of \$161.15 per month. The aviation cadet is eligible for incentive pay only while engaged in training involving aerial flight, thereby excluding the time spent in preflight training for flight pay purposes.

The Department of Defense estimates that the annual cost of the increased pay, including both basic and incentive pay for aviation cadets, to be \$5,216,000.

*Clause (3) Increased active duty pay for officers in the grade of lieutenant general and general, or equivalent*

The committee reported further amending language to section 201, by adding an additional new subsection. This language provides that an officer in the grade of lieutenant general or equivalent will be entitled to an additional increment in basic pay in an amount of \$100 per month and that officers in the grade of general or equivalent will be entitled to an additional increment in basic pay in the amount of \$200 per month. It is expressly provided that these additional increments are for the purposes of active-duty pay only and will not be considered a part of their basic pay for the purposes of computing retired pay.

In the Department of Defense there are a total of 76 officers in the grade of lieutenant general or equivalent and a total of 26 officers in the grade of general or equivalent. All of these men occupy key positions of high responsibility. In view of the leadership responsibilities of these officers, the committee was of the opinion that the increases of \$100 and \$200 per month in active duty basic pay was justified. The additional increments are in addition to the increase which these

officers would receive as major generals under the revised basic pay scales provided for in clause 1 of the bill. The total annual additional cost of this amendment would be \$158,400.

*Clause (4) Three duties designated as hazardous*

BACKGROUND—DEFINITION OF HAZARDOUS DUTIES

The Career Compensation Act of 1949 sets forth 9 duties which qualify members to receive incentive pay under 1 or 2 separate scales. These are duty (1) as flight crew member; (2) on board a submarine; (3) involving regular aerial flights not as a crew member; (4) involving glider flights; (5) involving parachute jumping; (6) having contact with persons afflicted with leprosy; (7) involving demolition of explosives; (8) involving submarine escape training; (9) at the Navy Deep Sea Diving School when such duty involves participation in training. This bill adds the 3 new duties in clause 4 (D), making a total of 12.

(A) *Technical amendment*

This clause is a technical amendment in the form of a change in reference with respect to 204 (a) (3). The word "part" is changed to "clause". The bill refers to the three new duties as clauses. This change will make all references in the entire section uniform.

(B) *Technical amendment*

This clause is a technical amendment in the form of striking the word "and". The addition of clauses 10, 11, and 12 require this deletion.

(C) *Technical amendment*

This clause is a technical amendment in the form of changing a period to a semicolon.

(D) (10) *Duty as low pressure chamber inside observer defined as hazardous, cost, \$310,860*

This clause defines the duty as low pressure chamber inside observer as hazardous, thereby authorizing incentive pay of \$110 per month for officers and \$55 for enlisted men for those engaged in this type of service.

This duty refers to the officer or enlisted man who is assigned as inside instructor in a low pressure chamber. This chamber is a room used to simulate high altitude flight conditions to which air crews are exposed in actual flights. Pilots and air crewmen in complete airborne equipment are indoctrinated in the chamber on the physical and physiological effects of high altitude. When a simulated ascent is made a trained officer or aviation technician is assigned as inside instructor.

An inside instructor is subject to considerable physical hazard. He must carry out demonstrations from time to time, emphasizing the hazards of inadequate protection at high altitude. In addition, he is called upon to act as a subject for specialized physiological experiments conducted at research and training institutions. A considerable number have been forced to discontinue such work because of physical disability caused by recurrent acrobolism and visual changes.

This duty which did not exist at the time of the enactment of the Career Compensation Act of 1949 involves comparatively few people, approximately 53 officers and 365 enlisted men for the Department of Defense.

The estimated additional annual cost of hazardous pay for this type of duty would be \$310,860.

(D) (11) *Duty as a human acceleration or deceleration experimental subject, cost, \$36,960*

This clause defines duty as a human acceleration or deceleration experiment subject as hazardous; and thereby authorizes officers and enlisted men engaging in this type of service to be entitled to incentive pay at the rate of \$110 or \$55 per month respectively.

The hazardous duty defined in this clause consists of two types of operations. The first refers to the men who serve as subjects on the human centrifuge. The human centrifuge consists of a cab or gondola suspended at the end of an arm which duplicates a circular path on a horizontal plane. As the cab rotates around a vertical axis, centrifugal force is applied to an individual sitting in the cab or gondola.

The other types of operation consist of service on the crash deceleration sleds and ejection seat towers.

All of these experiments are necessary in order (1) to determine the effect of high speeds and stoppages on the human body and (2) to develop protective harnesses and downward ejection seats for escape from high speed aircraft.

These duties subject volunteers to considerable physical discomfort and danger to health and, in some cases, to life.

Under this clause, the duties of which did not exist at the time of the enactment of the Career Compensation Act of 1949, involve approximately 12 officers and 32 enlisted men for the Department of Defense and an additional annual estimated cost of \$36,960.

(D) (12) *Duty involving the use of helium-oxygen defined as hazardous, cost, \$217,000*

This clause defines as hazardous that duty involving the use of helium-oxygen for a breathing mixture in the execution of deep sea diving. Divers qualified in the use of helium-oxygen as a breathing medium are assigned duty with the 10 submarine rescue vessels of the Navy. They are employed in salvage and repair operations for the fleet. The use of helium-oxygen permits diving to much greater depths than with compressed air, consequently the hazards are markedly increased.

The use of helium-oxygen in deep sea dives involves an increased incidence of decompression sickness (bends). Many cases have occurred while the diver is still in the water decompressing which rarely occurs when compressed air is used. This duty involves approximately 25 officers and 280 enlisted men and would cause an estimated additional annual cost of \$217,800.

*Clause (5) Increase in incentive pay for aircrew and submarine members, cost, \$85 million*

This clause provides a new scale for incentive pay for military personnel who perform duty as an aircrew member or on board a submarine. The increase varies, depending on the grade and rank of

## CAREER INCENTIVE ACT OF 1955

service as indicated by table C, and the comments below. With respect to the other types of hazardous duty, the bill in other clauses provides for a 10-percent increase in the present rates.

## BACKGROUND—TWO SCALES FOR INCENTIVE PAY

The Career Compensation Act establishes two pay scales for hazardous duty.

For all duties except as a flight crew and submarine member the monthly incentive pay is at the rate of \$100 for officers and \$50 for enlisted men. The bill in other clauses increases these rates by 10 percent.

For flight and submarine crew members the Career Compensation Act provides for monthly incentive duty pay which varies according to military grade as indicated by table D. The present monthly range for officers is from \$100 for second lieutenant to \$210 for colonel; for enlisted men, \$30 for a private to \$75 for a master sergeant.

## PARTIAL REVISION OF SYSTEM FOR COMPUTING INCENTIVE PAY FOR AIRCREW AND SUBMARINE MEMBERS

Under present law the incentive pay for aircrew and submarine members is in fixed amounts for each grade ranging from \$100 to \$210 for officers and \$30 to \$75 for enlisted men. Years of service within a particular grade is not taken into account.

This clause revises the system by establishing a fixed ratio to basic pay for incentive pay. This approach causes the amount of incentive pay to vary not only between grades but within a particular grade based on the years of service. The direct relationship of incentive pay to basic pay offers a greater incentive for retaining qualified aircrew and submarine members in hazardous duties.

## MANNER OF COMPUTING INCENTIVE PAY INCREASES FOR AIRCREW AND SUBMARINE MEMBERS

The increases were determined by applying to the basic pay scales in the respective grades the percentages set forth in column 5 of table E. The other columns of this table compare the percentages of incentive pay to base pay under the Career Compensation Act of 1949 as enacted and under the system in effect prior to 1949. In the lower commissioned and all enlisted grades, where the greatest turnover is presently occurring, the multipliers have been increased in this bill.

## AMOUNT OF INCREASE

Set forth below are examples of the dollar increases in incentive pay at typical years of service in each grade:

Grade	Years of service	Amount of increase per month	Grade	Years of service	Amount of increase per month
Major general.....	26	\$15.00	W-3.....	14	\$40.00
Brigadier general.....	22	10.00	W-2.....	14	35.00
Colonel.....	16	10.00	W-1.....	14	30.00
Do.....	18	35.00	E-7.....	12	30.00
Lieutenant colonel.....	14	45.00	E-6.....	8	22.50
Major.....	12	65.00	E-5.....	6	20.00
Captain.....	10	70.00	E-4.....	4	17.50
1st lieutenant.....	6	50.00	E-3.....	2	15.00
2d lieutenant.....	3	35.00	E-2.....	2	22.50
W-4.....	18	65.00	E-1.....	2	25.00

COST OF INCENTIVE PAY INCREASES, \$89 MILLION

Table F shows (1) the additional costs by grade of the increase in incentive pay for aircrew and submarine members, and (2) the additional annual cost of incentive pay for the other hazardous duties.

Table F at the end of the sectional analysis shows (1) the additional costs by grade of the increase in incentive pay for aircrew and submarine members, and (2) the additional annual cost of incentive pay for the other hazardous duties.

(6) *Ten-percent increase in incentive pay for hazardous duties other than as an aircrew or submarine member, cost, \$4,200,000*

The effect of this clause is to increase the incentive monthly pay from \$100 to \$110 for officers and from \$50 to \$55 for enlisted men respectively who perform any of the hazardous duties other than as an aircrew or submarine member, as listed in clauses 3 to 12 of subsection 204

(a). Such duties involve one of the following: Aerial flights not as a crew member, glider flights, parachute jumping, contacts with persons afflicted with leprosy, demolition of explosives, duty in a submarine-escape training tank, duty with the Navy Deep-Sea Diving School, duty as a low-pressure chamber inside observer, as a human acceleration or deceleration experimental subject, and duty involving the use of helium oxygen in deep-sea diving. This section effects a 10-percent increase over the present rates for the duties involved.

(7) *Repeal of section prohibiting incentive pay for aviation cadets*

This clause repeals section 204 (e) of the Career Compensation Act which provides that no aviation cadet will be entitled to receive incentive pay. Clause 5 of the bill authorizes incentive pay of \$50 per month for aviation cadets.

Section 204 (f) is redesignated as (e).

(8) *Ten-percent increase in special pay for diving duty, cost, \$10,260*

Section 205 (a) provides that enlisted men assigned to diving duty are entitled to receive special pay of not less than \$5 and not exceeding \$30 per month under such regulations as the service Secretary may prescribe.

The special pay constitutes retainer pay to which the member is entitled so long as he is assigned to the duty of diving plus that portion that he must earn by making training dives each month and paid at rate of 5 cents per foot for depths below 120 feet.

This section provides a 10 percent increase in such pay, with \$5.50 the minimum, and \$33 per month as the maximum.

(9) *Ten percent increase in hourly rate for salvage diving pay, cost, \$31,096*

Section 205 (b) authorizes special pay in the amount of \$5 per hour for men while actually engaged in hazardous diving operations. This section would increase the hourly rate to \$5.50 authorized only when engaged in *actual* salvage or repair operations in depths below 90 feet, or in depths less than 90 feet where officer in charge finds, in accordance with Secretarial regulations, that extraordinary hazardous conditions exist.

The hourly pay is an amount to which the member is entitled in addition to the retainer pay authorized in section 205 (a).

*(10) Entitlement to special pay for fraction of an hour*

In this clause, section 205 (c) is amended to provide that the receipt of incentive pay under section 204 will not prevent the member from being entitled to \$5.50 for each hour or fraction thereof, in addition to basic pay, as authorized by section 205 (b).

*(11) Increase in per diem from \$9 to \$12 per day, cost, \$8,679,290*

Section 303 (a) provides that in lieu of subsistence a member while in a travel status may receive a per diem not to exceed \$9 per day. This section increases this amount to \$12 per day. The Department of Defense has estimated the cost of this increase to be \$8.6 million annually.

*(12) Authorization for dislocation allowance, cost, \$37,813,695*

Section 303 of the Career Compensation Act of 1949 authorizes various travel and transportation allowances for military personnel. This clause adds a new allowance in the form of a dislocation allowance. It provides that under appropriate secretarial regulations a member whose dependents are authorized to move and who actually move in connection with his permanent change of station is entitled to a dislocation allowance equal to his monthly basic allowance for quarters.

NOT MORE THAN ONE ALLOWANCE DURING EACH FISCAL YEAR

This clause also provides that a member will be entitled to only one payment for a dislocation allowance for any one permanent change of station, during any fiscal year, except on a finding by the departmental secretary that more than one permanent change is necessary during the fiscal year. The limitation of not more than one dislocation allowance for any fiscal year would not apply to members ordered to service schools on a permanent change of station. It is further provided that the 1-year limitation would not be applicable in time of war or national emergency declared after the effective date of this amendatory act.

EXCLUSION OF DISLOCATION ALLOWANCE UPON ENTRY UPON AND RELIEF FROM ACTIVE SERVICE

This clause expressly provides that a member is not entitled to payment of a dislocation allowance when ordered from home to first duty station or from the last duty station to home.

AWARD OF DISLOCATION ALLOWANCE TO ENLISTED PERSONNEL

The Department of Defense joint travel regulations presently provide for travel allowances for dependents of enlisted personnel only for those enlisted persons in the grade of E-4 with 7 years of service and higher grades.

This clause provides for the award of the dislocation allowance "under such regulations as may be approved by the Secretary concerned." The Department of Defense indicated that their regulations for the dislocation allowance would award the allowance only to enlisted men who, under regulations, are entitled to a travel allowance for their dependents.



## AMOUNT OF ALLOWANCE

The monthly quarters allowance for officers with dependents ranges from \$85.50 to \$171, depending upon rank. For enlisted men, the amount ranges from \$51.10 to \$96.90, depending upon grade and number of dependents.

## REASON FOR DISLOCATION ALLOWANCE

The reason for the authorization for the dislocation allowance is the variety of nonreimbursable costs which are incurred in connection with the move of dependents on a permanent change of station. Such costs include the loss of deposit in rent on old quarters, the selling and depreciation of household goods, excess cost of food and lodging immediately prior to leaving the old station and after arriving at the new assignment, abandonment of unmarketable but completely depreciated household equipment which requires replacement at the new station and the purchase of new automobile tags.

The Department of Defense indicated that in connection with unavoidable and nonreimbursable expenses in connection with a permanent change of station, recent surveys revealed that such expenses to sergeants in the E-6 grade averaged as high as \$200, and in the E-7 grade to \$240; for a captain, \$260, and for a colonel, \$427.

## COST

The Department of Defense has estimated that the annual cost of the dislocation allowance will be \$38 million for the entire Department.

*(13) Mileage authorization of not to exceed 20 cents per mile for members who reside in trailers*

The committee added amending language to section 303 (c) of the Career Compensation Act, as amended, by providing that members who transport a house trailer within the continental United States for use as a residence and who would otherwise be entitled to transportation of household effects, will be entitled to an allowance not to exceed 20 cents per mile, or to the authorized dislocation allowance, whichever the member shall elect. It is significant to note that this clause authorizes the secretaries to prescribe appropriate regulations in connection with such allowance. Under such regulations the Secretaries would determine what would be an appropriate mileage rate as a trailer allowance. Such regulations, moreover, would make certain that the allowance would be received only by those who in good faith occupy the trailer as a residence.

Under present law a member is entitled on a permanent change of station to have his household goods moved at Government expense within certain prescribed weight limitations. There is no current authority, however, under which a member who resides in and transports a trailer on a permanent change of station can receive an allowance. The committee was of the opinion that it was only equitable that a serviceman who transports his trailer for use as a residence should receive an allowance. It is significant to note that the cost to the Government will be much less by awarding the mileage allowance than it would be by shipping the man's household effects by private carrier under the prescribed weight limitations.

(14) *Increase in pay for midshipmen, military, Air Force, and Coast Guard cadets, cost, \$2,540,502*

This clause provides an increase in pay for the cadets at the United States Military Academy, midshipmen at the United States Naval Academy, cadets at the United States Air Force Academy, and cadets at the United States Coast Guard Academy. The clause provides that cadets will be entitled to receive pay at the rate of 50 percent of the basic pay of a second lieutenant with under 2 cumulative years of service. Such pay would be \$111.15 per month, which represents a gross increase of \$30.03 per month over the present pay of \$81.12 per month.

Department of Defense testimony indicated that under present rates of pay cadets have an average 4-year deficit of about \$300 because of the necessity of their purchase of books, personal articles, and uniforms and equipment. The proposed increase would provide each cadet and midshipman with an average of \$845 at the end of 4 years with which to purchase officers' uniforms and equipment.

The Department of Defense estimates that the additional annual cost of the increase in pay for cadets will be \$2,540,000.

(15) *Double time credit for foreign duty between 1898 and 1912*

Presently section 202 (d) of the Career Compensation Act, as amended, provides that enlisted men who served beyond the continental limits of the United States between 1898 and 1912 will be entitled to compute such service as double time for retirement purposes. The Comptroller General has ruled that the double-time credit cannot be used for computing the retired pay of such enlisted men when they retire as officers.

This clause provides that such persons will hereafter be permitted to count the enlisted service between 1898 and 1912 as double time in the computation of their retired pay as officers.

SEC. 3. *Repeal of present law relating to pay for aviation cadets of the Navy*

The effect of section 3 is to repeal the portion of the Naval Aviation Cadet Act of 1942 which authorizes monthly aviation cadet pay at the rate of \$109.20.

Other provisions of this bill (clauses 3 and 5 of sec. 1) place aviation cadets under the Career Compensation Act of 1949, as amended, for pay purposes.

The present law relating to the various allowances to which a cadet is entitled is left unchanged. It may be noted that under existing law cadets are entitled to the same allowances for subsistence as is authorized for officers. For the purpose of travel and other expenses they are entitled to the allowances available to enlisted persons.

SEC. 4. *Repeal of section 4 of the present law relating to pay for aviation cadets for Army and Air Force*

The effect of section 4 is to repeal that portion of the Army Aviation Cadet Act which authorizes monthly pay for aviation cadets at the rate of \$109.20. Other provisions of this bill (clauses 3 and 5 of sec. 1) place such cadets within the Career Compensation Act for pay purposes.

The present law relating to the various allowances to which a cadet is entitled is left unchanged. It may be noted that under existing law cadets are entitled to the same allowances for subsistence as is authorized for officers. For the purpose of travel and other expenses they are entitled to the allowances available to enlisted persons.

SEC. 5. *Retirement pay for persons retired under the Career Compensation Act of 1949, as amended, cost, \$41,388,800*

Section 5 provides that any member presently or hereafter entitled to retired pay under the rates prescribed in the basic-pay table of the Career Compensation Act of 1949 will be entitled to have his pay recomputed under the increased rates provided for in this bill. The effect of this section is to entitle such retired persons to the same increases in basic pay that active-duty members would receive under the tables established by the bill.

*Officers retired with less than 3 years of service and warrant officers and enlisted men with less than 2 years*

Section 5 also provides that if an officer with less than 3 years of service, and a warrant officer and enlisted man with less than 2 years of service is retired for physical disability, their rates of pay will be increased by 6 percent.

The reason for the 6-percent increase for such persons is because this bill provides for no increases in basic pay for active-duty officers with less than 3 years and for warrant officers and enlisted men with less than 2 years of service. Without the language in section 5 such persons retired for physical disability would receive no increase.

SEC. 6. *Pay of members receiving retired pay under laws in effect prior to October 1, 1949, cost, \$9,136,486*

Section 6 provides that members and former members who are entitled to receive retired pay under laws in effect prior to October 1, 1949, will be entitled to a 6-percent increase in their present retired pay.

*Background and categories of persons affected by section 6*

There are two categories affected by this section:

- (1) Those who retired under laws in effect prior to October 1, 1949, on the basis of longevity, and
- (2) Those who retired under the laws in effect prior to October 1, 1949, relating to physical disability.

The Career Compensation Act of 1949 contained provisions which permitted persons in both of the above categories to elect whether to receive pay under the 1949 act or under the laws in effect prior to October 1, 1949. With respect to those retired on the basis of longevity, it was advantageous in some cases to receive retired pay under the laws in effect prior to the 1949 act, since that act did not recognize for longevity purposes certain periods which were recognized by laws in effect prior to that date.

With respect to physical disability the laws in effect prior to October 1, 1949, provided that an officer retired for physical disability would receive 75 percent of his basic pay without regard to the percentage of his disability. The 1949 act established a new system of retirement thereafter for physically disabled, and provided that in order to be qualified for retirement disability there must be at least a 30-percent disability as provided by current Veterans' Administration tables

and that the monthly retired pay would be based on the percentage of his disability multiplied by the basic monthly pay, or based on 2½ percent of his monthly base pay, multiplied by the years of creditable service. It was therefore advantageous to those with relatively low percentages of disability to elect to receive retired pay under the laws in effect prior to 1949.

The Armed Forces Pay Raise Act of 1952 provided for an increase of 4 percent for members retired under laws in effect prior to October 1, 1949.

SEC. 7. *Effective date of act*

This clause provides that this act shall become effective on the first day of the month following the date of enactment of this act.

SEC. 8. *Savings clause*

Section 8 is the savings clause which protects any active or retired member from having their basic or retired pay reduced as a result of the enactment of this legislation.

## CAREER INCENTIVE ACT OF 1955

21

TABLE A.—Comparison of proposed and present basic pay  
 In order to provide for an easier comparison of the increases, which the bill would provide, the table below does not repeat each figure.  
 In each case the dashes refer back to the preceding number on the same line.

## COMMISSIONED OFFICERS

Pay grade	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
Maj. Gen. } O-8... Rt. Adm. } Present	{963.30 {963.30	—	1,021.80	—	—	—	—	—	—	—	—	—	—	1,076.40
% Increase	0	0	58.50	—	—	—	—	—	—	—	—	—	—	83.46
Brig. Gen. } O-7... Rt. Adm. } Present	{800.28 {800.28	—	850.20	—	—	—	—	—	—	—	—	—	904.80	967.20
% Increase	0	0	6.07	—	—	—	—	—	—	—	—	—	829.92	839.56
Col. } O-6... Capt. } Present	{592.80 {592.80	—	49.92	—	—	—	—	—	—	—	—	—	74.88	107.64
% Increase	0	0	6.24	—	—	—	—	—	—	—	—	—	9.02	12.52
Lt. Col. } O-5... Cdr. } Present	{474.24 {474.24	—	631.80	—	—	—	—	—	—	—	—	—	780.00	811.20
% Increase	0	0	33.00	—	—	—	—	—	—	—	—	—	696.54	736.18
Major } O-4... Lt. Col. } Present	{400.14 {400.14	—	507.00	—	—	—	—	—	—	—	—	—	83.46	85.02
% Increase	0	0	25.75	—	—	—	—	—	—	—	—	—	11.98	11.71
Capt. } O-3... Lt. } Present	{326.04 {326.04	—	428.00	—	—	—	—	—	—	—	—	—	670.80	607.62
% Increase	0	0	30.06	—	—	—	—	—	—	—	—	—	577.98	63.18
1st Lt. } O-2... Lt. j.g. } Present	{259.36 {259.36	—	325.40	—	—	—	—	—	—	—	—	—	592.80	518.70
% Increase	0	0	25.44	—	—	—	—	—	—	—	—	—	58.50	59.28
2d Lt. } O-1... Ensign } Present	{222.30 {222.30	—	286.40	—	—	—	—	—	—	—	—	—	514.80	459.42
% Increase	0	0	25.38	—	—	—	—	—	—	—	—	—	55.38	12.06
% Increase	0	0	23.00	17.65	16.96	16.34	13.79	15.23	14.83	—	—	—	—	—

TABLE A.—Comparison of proposed and present basic pay—Continued  
WARRANT OFFICERS

Pay grade	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
W-4.....														
H. R. 4720.....	\$332.90	354.90			370.50	386.10	401.70	421.20	452.40	468.00	483.60	499.20	514.80	530.40
Present.....	\$332.90				348.04	363.17	378.30	393.43	408.56	423.70	438.83	453.96	469.09	484.22
% Increase.....	0	22.00			22.46	22.83	23.40	27.77	43.84	44.30	44.77	45.24	45.71	46.18
H. R. 4720.....	\$302.64	323.70			331.50	339.30	347.10	358.80	374.40	382.20	405.60	428.00	443.60	459.20
Present.....	\$302.64				310.20	317.77	325.31	332.90	340.15	348.01	363.17	378.30	393.43	408.56
% Increase.....	0	21.06			21.29	21.53	21.76	25.90	33.92	34.16	42.48	49.70	50.17	50.64
H. R. 4720.....	\$264.82	280.80			288.80	294.24	300.80	307.50	314.00	320.64	327.40	334.20	341.00	347.80
Present.....	\$264.82				258.80	272.36	279.95	287.51	295.08	302.64	310.20	317.77	325.31	332.87
% Increase.....	0	15.98			23.78	31.82	39.85	47.89	54.92	55.16	55.63	56.10	56.56	57.03
H. R. 4720.....	\$219.42	231.20			243.00	250.80	258.60	266.40	274.20	282.00	289.80	297.60	305.40	313.20
Present.....	\$219.42				226.98	234.55	242.11	249.68	257.24	264.82	272.38	279.95	287.51	295.08
% Increase.....	0	31.78			34.82	31.75	31.99	36.12	56.36	56.58	57.05	57.52	57.99	58.46
		14.48			17.54	22.06	21.47	22.48	21.91	21.37	20.38	19.49	18.69	17.89

TABLE A.—Comparison of proposed and present basic pay—Continued  
ENLISTED

Pay grade	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
E-7	\$206.39 Present \$ Increase	222.30 206.39 15.91		230.10 214.03 16.07	237.00 227.63 10.37	253.50 223.32 30.18	261.30 236.96 24.34	273.00 244.61 28.39	280.80 252.25 28.55	288.60 259.90 28.70	304.20 275.18 29.02	319.80 290.47 29.33	335.40 305.76 29.64	
E-6	\$175.81 Present \$ Increase	187.20 175.81 11.39		195.00 183.46 11.54	214.50 191.10 23.40	222.30 198.74 23.56	234.00 206.39 27.61	241.80 214.03 27.77	249.60 221.68 27.92	257.40 229.32 28.08	273.00 244.61 28.39	288.60 259.90 28.70	304.20 275.18 29.02	
E-5	\$145.24 Present \$ Increase	163.80 152.88 10.92		183.30 169.52 13.78	201.10 188.17 12.93	212.80 195.81 16.99	220.60 183.46 37.14	228.40 191.10 37.30	236.20 198.74 37.46	244.00 206.39 37.61	260.00 218.40 41.60	276.00 221.68 54.32	292.00 229.32 62.68	
E-4	\$122.30 Present \$ Increase	140.40 129.95 10.45		159.90 137.59 22.31	167.70 143.20 24.50	179.40 152.88 26.52	187.20 160.52 26.68	195.00 168.17 26.83	202.80 175.81 26.99	210.60 183.46 27.14	228.40 198.74 29.66	246.20 198.74 47.46	264.00 198.74 65.26	
E-3	\$99.37 Present \$ Increase	107.02 99.37 7.65		126.60 114.60 12.00	134.40 122.30 12.10	148.20 129.95 18.25	156.00 137.59 18.41	163.80 145.24 18.56	171.60 152.88 18.72	179.40 168.17 11.23	197.20 183.46 13.74	215.00 198.74 16.26	232.80 198.74 34.06	
E-2	\$85.80 Present \$ Increase	101.40 93.60 7.80		119.00 109.20 9.80	127.00 109.20 17.80	140.40 124.80 15.60	148.20 132.60 15.60	156.00 145.24 10.76	163.80 145.24 18.56	171.60 145.24 26.36	189.40 145.24 44.16	207.20 145.24 61.96	225.00 145.24 79.76	
E-1	\$83.20 Present \$ Increase	91.00 83.20 7.80		108.80 98.80 10.00	116.60 98.80 17.80	130.40 117.00 13.40	138.20 109.20 29.00	146.00 109.20 36.80	153.80 109.20 44.60	161.60 109.20 52.40	179.40 109.20 70.20	197.20 109.20 88.00	215.00 109.20 105.80	
E-1 (under 4 months)	\$78.00 Present \$ Increase	85.57 78.00 7.57		103.14 93.14 10.00	111.00 93.14 17.86	124.80 109.20 15.60	132.60 109.20 23.40	140.40 109.20 31.20	148.20 109.20 39.00	156.00 109.20 46.80	173.80 109.20 64.60	191.60 109.20 82.40	209.40 109.20 100.20	

TABLE B.—Additional annual cost of increases by item under H. R. 4720 (excluding incentive pay)

Basic pay, pay grade	Total average strength	Basic pay for total average strength at present rates	Members receiving a base pay increase under proposed Career Incentive Act			
			Average number to receive a base pay increase under Career Incentive Act	Basic pay at present rates for those who will receive a base pay increase under Career Incentive Act	Amount of increase for those who will receive a base pay increase under Career Incentive Act	Overall per cent of increase for those who will receive a base pay increase under Career Incentive Act
	(1)	(2)	(3)	(4)	(5)	(6)
Active Duty Force:						
Gen/Adm (2 to 5 stars) O-8	584	\$6,902,019	584	\$6,902,019	\$534,720	7.7
B Gen/R Adm						
L. H. O-7	706	6,996,686	706	6,996,686	771,214	11.0
Col/Capt O-6	13,234	104,633,140	13,234	104,633,140	12,496,722	11.9
Lt Col/Cdr O-5	31,602	199,225,340	31,682	199,111,522	21,266,067	10.7
Maj/Lt Cdr O-4	53,289	294,882,522	52,717	292,135,795	34,354,914	11.8
Capt/Lt O-3	84,364	596,100,361	81,763	385,923,996	50,838,504	13.2
1st Lt/Lt jg O-2	78,228	279,843,390	53,341	200,433,908	30,779,679	15.4
2d Lt/Ens O-1	70,252	196,678,020	30,196	55,124,375	9,383,635	17.0
W-4	1,045	5,757,931	1,045	5,757,931	567,047	9.8
W-3	3,150	22,463,677	3,150	22,463,677	2,420,847	10.8
W-2	11,771	42,665,724	11,769	42,659,368	7,667,455	18.0
W-1	3,074	9,421,514	3,055	9,371,487	2,058,636	22.0
Total officers	353,299	1,565,570,324	285,142	1,331,513,904	173,189,440	13.0
E-7	157,390	478,615,365	157,301	478,169,241	52,113,122	10.9
E-6	227,094	561,771,109	223,671	554,548,619	66,145,326	11.9
E-5	321,407	647,561,734	298,102	606,941,216	76,456,672	12.6
E-4	472,963	751,922,020	306,669	507,815,497	62,763,883	12.4
E-3	620,060	777,969,281	250,730	332,382,364	35,802,258	10.8
E-2	574,242	606,729,458	101,622	115,314,029	9,190,327	8.0
E-1	188,607	182,260,172	1,401	1,567,332	130,314	8.5
Total, enlisted	2,561,733	4,007,129,139	1,339,496	2,597,338,298	302,601,902	11.7
Total, active duty	2,915,032	5,572,699,463	1,624,638	3,928,852,202	475,791,342	12.1
Reserve and Guard				(346,426,693)	(36,204,842)	(10.5)
Officers				156,496,243	18,776,663	12.0
Enlisted				179,093,148	17,341,054	9.7
Reserve Officer Candidates				10,837,302	87,125	8.0
Permanental Leave			(949,523)	(164,393,386)	(15,098,625)	(9.2)
Officers			48,959	27,761,947	2,924,363	10.5
Enlisted			900,246	136,605,834	12,173,807	8.9
Aviation Cadets			318	25,605	455	1.8
Death Gratuities			(6,381)	(8,201,161)	(807,965)	(9.9)
Officers			1,590	4,129,207	414,369	10.0
Enlisted			4,764	4,054,264	393,280	9.7
Aviation Cadets			27	17,660	316	1.8
Severance Pay			(6,326)	(14,053,275)	(1,553,940)	(11.1)
Officers			1,111	7,185,795	883,722	12.3
Enlisted			5,206	6,864,480	670,162	9.8
Aviation Cadets			8	2,000	56	1.9
Missing Persons			(39)	(191,000)	(17,170)	(9.0)
Officers			14	104,325	11,022	10.6
Enlisted			25	86,675	6,148	7.09
Reenlistment Bonus			227,058	157,009,776	15,273,628	9.7
Other				1,418,250	143,768	10.1
Total, Section 2 (1)				4,620,475,743	541,891,280	11.7
Section 2 (3) Aviation Cadets			8,793	11,512,347	205,756	1.8
Section 2 (13) Cadets and Midshipmen					2,540,502	37.0
Miscellaneous items				Total cost at present rates	increase under H. R. 4720	Percent increase
Sec. 2 (11) per diem				\$64,895,800	\$8,679,290	13.4
Sec. 2 (12) dislocation allowance					37,813,695	
Sec. 2 (13) cadets and midshipmen				6,858,761	2,540,502	37.0
Sec. 3 and 4 (no increased cost)						
Sec. 5 retired pay					41,388,800	
Sec. 6 retired pay						
Total, retired pay				436,535,084	50,525,286	11.6
Sec. 7 and 8 (no increased cost)						



TABLE C.—Comparison of incentive pay for aircrew and submarine members under present law as compared to bill  
In order to provide for an easier comparison of the increases, which the bill would provide, the table below does not repeat each figure. In each case the dashes refer back to the preceding number on the same line.

COMMISSIONED OFFICERS  
YEARS OF SERVICE

Pay grade	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30	Over 35
O-8 M/G	New \$155.00 Pres. \$150.00 % Inc. 3.33	165.00	165.00												
O-7 B/G	New \$150.00 Pres. \$150.00 % Inc. 0	160.00	160.00												
O-6 Col.	New \$200.00 Pres. \$210.00 % Inc. 5.00	215.00	215.00							220.00	245.00				
O-5 L/C	New \$180.00 Pres. \$180.00 % Inc. -4.76	205.00	205.00					210.00	225.00	230.00	245.00				
O-4 Maj	New \$170.00 Pres. \$160.00 % Inc. 13.33	185.00	185.00				210.00	215.00	220.00	230.00	240.00				
O-3 Capt.	New \$145.00 Pres. \$120.00 % Inc. 20.83	155.00	155.00	165.00	180.00	185.00	190.00	200.00	205.00	215.00	230.00				
O-2 1/Lt.	New \$115.00 Pres. \$110.00 % Inc. 4.55	125.00	150.00	160.00	160.00	165.00	170.00	180.00	185.00	190.00	200.00				
O-1 2/Lt.	New \$100.00 Pres. \$100.00 % Inc. 0	105.00	135.00	140.00	140.00	145.00	155.00	160.00	170.00	170.00	180.00				

TABLE C.—Comparison of incentive pay for aircrew and submarine members under present law as compared to bill—Continued

WARRANT OFFICERS  
YEARS OF SERVICE

Pay grade	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30	Over 35
W-4.....	New Pres. \$ Inc. % Inc.	\$115.00 \$100.00 15.00 15.00													
W-3.....	New Pres. \$ Inc. % Inc.	\$110.00 \$100.00 10.00 10.00													
W-2.....	New Pres. \$ Inc. % Inc.	\$105.00 \$100.00 5.00 5.00													
W-1.....	New Pres. \$ Inc. % Inc.	\$100.00 \$100.00 0 0													

TABLE C.—Comparison of incentive pay for aircrew and submarine members under present law as compared to bill—Continued

ENLISTED PERSONS  
YEARS OF SERVICE

Pay grade	YEARS OF SERVICE														
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30	Over 35
E-7 M/S	New	\$80.00	85.00	85.00	90.00	95.00	100.00	105.00							
	Pres.	\$75.00	10.00		15.00	20.00	25.00	30.00							
	% Inc.	5.00	13.33	13.33	20.00	26.67	33.33	40.00							
	% Inc.	6.67													
E-6 T/S	New	\$70.00	75.00		80.00	85.00	95.00	100.00							
	Pres.	\$67.50	7.50		12.50	17.50	27.50	32.50							
	% Inc.	2.50	11.11	18.52	25.93	33.34	40.74	48.13							
	% Inc.	3.70													
E-5 S/S	New	\$60.00	70.00		80.00		90.00	95.00							
	Pres.	\$60.00	10.00		20.00		30.00	35.00							
	% Inc.	0	16.67		33.33		50.00	58.33							
	% Inc.	0													
E-4 Sgt	New	\$55.00	65.00		70.00	75.00									
	Pres.	\$52.50	12.50		17.50	22.50	30.00	35.00							
	% Inc.	2.50	23.81	33.33	42.86	52.38	58.33								
	% Inc.	4.76													
E-3 Cpl	New	\$55.00	60.00												
	Pres.	\$45.00	15.00												
	% Inc.	10.00	33.33												
	% Inc.	22.22													
E-2 Pfc	New	\$60.00	60.00												
	Pres.	\$37.50	22.50												
	% Inc.	33.33	60.00												
	% Inc.	60.00													
E-1 Pvt	New	\$50.00	55.00												
	Pres.	\$30.00	25.00												
	% Inc.	50.00	83.33												
	% Inc.	66.67													
Pvt (under 4 mos).	New	\$50.00	50.00												
	Pres.	\$30.00	20.00												
	% Inc.	66.67	83.33												
	% Inc.	50.00													
Aviation cadets															

## CAREER INCENTIVE ACT OF 1955

TABLE D.—Present incentive pay scales for duty involving aerial flight as a crew member, and as a submarine member

Pay grade	Monthly rate	Pay grade	Monthly rate
O-8.....	\$150.00	W-2.....	\$100.00
O-7.....	150.00	W-1.....	100.00
O-6.....	210.00	E-7.....	75.00
O-5.....	180.00	E-6.....	67.50
O-4.....	150.00	E-5.....	60.00
O-3.....	120.00	E-4.....	52.50
O-2.....	110.00	E-3.....	45.00
O-1.....	100.00	E-2.....	37.50
W-4.....	100.00	E-1.....	30.00
W-3.....	100.00		

TABLE E.—Historical comparison of incentive pay for aircrew and submarine members showing (1) the amount of incentive pay, and (2) the percentage comparison of incentive pay to basic pay

Col. 1	Col. 2	Col. 3		Col. 4		Col. 5	
Grade	Years of service	Prior to 1949		Career Compensation Act as enacted		H. R. 4720	
		Dollars	Per cent	Dollars	Per cent	Dollars	Per cent
M/G O-8.....	Over 26.....	366.67	50	150.00	16	165.00	16
B/G O-7.....	Over 22.....	275.00	50	150.00	19	160.00	19
Col. O-6.....	Over 16.....	220.17	50	210.00	36	220.00	34
Lt/C O-5.....	Over 14.....	192.50	50	180.00	37	225.00	40
Maj. O-4.....	Over 12.....	165.00	50	150.00	35	215.00	43
Capt. O-3.....	Over 10.....	132.25	50	120.00	32	190.00	41
1/Lt. O-2.....	Over 6.....	110.00	50	110.00	38	160.00	45
2/Lt. O-1.....	Over 3.....	105.00	50	100.00	41	135.00	45
M/S E-7.....	Over 12.....	99.00	50	75.00	32	105.00	38
T/S E-6.....	Over 8.....	77.58	50	67.50	35	90.00	41
S/S E-5.....	Over 6.....	63.25	50	60.00	37	80.00	42
A1c E-4.....	Over 4.....	52.50	50	52.50	40	70.00	44
A2c E-3.....	Over 2.....	47.25	50	45.00	41	60.00	51
A3c E-2.....	Under 2.....	40.00	50	37.50	45	50.00	58
A4 E-1.....	Under 2.....	37.50	50	30.00	38	50.00	60

TABLE F.—Details of estimated cost of increase in all categories of incentive pay under H. R. 4720

Flying and submarine crew-member pay (Sec. 2, clause (5) of H. R. 4720)	Average number to receive incentive pay	Total incentive pay at present rates	Proposed increase in incentive pays		
			Total amount of dollar increase	Percent of increase	Average increase per man per month
<b>Flying pay:</b>					
Active Force:					
Gen/Adm O-7 and O-8.....	467	840,600	69,690	8.3	12.44
Col/Capt O-6.....	3,747	9,442,320	837,840	8.9	18.63
Lt Col/Cdr O-5.....	7,787	16,819,960	4,100,601	24.4	43.88
Maj/Lt Cdr O-4.....	17,767	31,980,600	14,512,882	45.4	68.07
Capt/Lt O-3.....	32,214	46,388,160	28,032,663	60.4	72.62
1st Lt/Lt Jg O-2.....	25,762	34,005,840	15,095,431	44.4	48.83
2d Lt/Ens O-1.....	22,313	26,775,200	1,653,198	6.2	6.14
W-4.....	189	226,800	147,420	65.0	65.00
W-3.....	43	51,600	17,220	33.4	33.37
W-2.....	40	48,000	16,800	35.0	35.00
W-1.....	397	476,400	120,300	25.3	25.25
Total officers.....	110,726	167,055,480	64,604,045	38.7	48.62
E-7.....	6,497	5,847,300	2,329,740	39.8	29.88
E-6.....	6,655	5,390,550	2,216,701	41.1	27.76
E-5.....	9,861	7,099,920	2,548,884	35.9	21.54
E-4.....	9,655	6,082,650	1,467,858	24.1	12.67
E-3.....	8,501	4,890,540	1,021,560	22.3	10.01
E-2.....	1,336	601,380	200,700	33.4	12.62
Total enlisted.....	42,505	29,612,340	9,785,443	33.0	19.18
Aviation cadets.....	8,351		5,010,400		50.00
Total, active forces.....	153,231	196,667,820	74,389,488	37.8	40.46
Reserve Forces:					
Officer.....	19,151	5,492,432	2,680,707	48.8	-----
Enlisted.....	7,441	845,691	332,116	39.3	-----
Total, Reserve Forces.....	26,592	6,338,123	3,012,823	47.5	-----
Total flying crew member pay (Active and Reserve).....		203,005,943	82,412,711	40.6	-----
<b>Submarine pay:</b>					
Active Force:					
Gen/Adm O-7 and O-8.....	2	3,600	360	10.0	15.00
Col/Capt O-6.....	20	50,400	8,400	16.7	35.00
Lt Col/Cdr O-5.....	147	317,520	83,278	26.2	47.21
Maj/Lt Cdr O-4.....	149	268,200	133,903	49.9	74.89
Capt/Lt O-3.....	291	419,040	266,055	63.5	76.19
1st Lt/Lt Jg O-2.....	462	609,840	231,739	38.0	41.80
2d Lt/Ens O-1.....	24	28,800	2,252	7.8	7.82
Total Officers.....	1,095	1,697,400	725,987	42.8	55.25
E-7.....	984	885,600	354,240	40.0	30.00
E-6.....	1,941	1,572,210	638,435	40.6	27.41
E-5.....	2,007	1,445,040	481,680	33.3	20.00
E-4.....	1,697	1,069,110	258,976	24.2	12.72
E-3.....	1,874	1,011,900	225,480	22.3	10.03
E-2.....	66	29,700	11,600	39.1	14.65
Total Enlisted.....	8,569	6,013,620	1,970,411	32.8	19.16
Total active Forces.....	9,664	7,711,020	2,696,398	35.0	23.25
Reserve Forces:					
Officers.....		33,064	19,242	54.9	-----
Enlisted.....		117,412	50,360	42.9	-----
Total Reserve Forces.....		152,476	69,602	45.6	-----
Total submarine crew member pay (Active and Reserve).....		7,863,496	2,766,000	35.2	-----

TABLE F.-Details of estimated cost of increase in all categories of incentive pay under H. R. 4720- Continued

Other types of incentive pay (Sec. 2, clause (4), (6), (8), (9), and (10) of H. R. 4720)	Average number to receive incentive pay	Total incentive pay at present rates	Proposed increase in incentive pays	
			Total amount of dollar increase	Percent of increase
Flying pay-noncrew member				
Active Forces	15,528	9,900,000	1,020,060	10.3
Reserve Forces		418,412	41,230	9.9
Total flying pay-noncrew member (Ac- tive and Reserve)		10,318,412	1,061,290	10.3
Parachute jumping	36,143	23,947,200	2,394,720	10.0
Care of lepers	1	1,200	120	10.0
Demolition of explosives	2,826	2,127,600	212,760	10.0
Submarine escape tank	52	34,200	3,420	10.0
Diving training	146	102,600	10,260	10.0
Low-pressure observer	418		310,860	
Acceleration and deceleration	44		36,960	
Helium-oxygen diving	305		217,800	
Diving duty	2,388	446,448	-66,235	
Dive duty		310,960	31,096	10.0
Total other types incentive pay		37,288,620	4,213,051	11.3
Total all types incentive pay		248,158,050	89,391,762	36.0

## DEPARTMENTAL RECOMMENDATION

The President of the United States recommends enactment of the proposed legislation as indicated in his message to the Congress dated January 13, 1955.

The Committee on Armed Services strongly recommends enactment of the proposed legislation.

The Department of Defense urges adoption of the proposed legislation as indicated by the following attached letter.

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE,  
LEGISLATIVE AND PUBLIC AFFAIRS,  
Washington 25, D. C., January 15, 1955.

HON. RICHARD M. NIXON,  
President of the Senate.

DEAR MR. PRESIDENT: There is forwarded herewith a draft of legislation to provide incentives for members of the uniformed services by increasing certain pays and allowances.

This proposal is a part of the Department of Defense legislative program for 1955, and the Bureau of the Budget advises that the proposal is in accord with the program of the President. The Office of the Secretary of Defense has assumed action responsibility for this legislation. It is recommended that this proposal be enacted by the Congress.

## PURPOSE OF THE LEGISLATION

This legislation implements the President's recommendations concerning military career incentives contained in the recent state of the Union address and in his special message to the Congress on January 13, 1955.

This proposal is designed to restore the military pay structure to approximately the same relative position in the economy which it held immediately following the enactment of the Career Compensation Act of 1949. With regard to basic pay the bill would provide selective increases for personnel who elect to make a career in the uniformed services.

On September 1, 1954, a special committee was established within the Department of Defense to study the military pay and allowance structure and to recommend substantive legislation designed to modernize that structure. The committee observed that there has been a sharp decrease in the number of reenlistments in the Armed Forces, for example, in 1949 the Army had a reenlistment rate of 41.2 percent but in 1954 that rate dropped to 11.6 percent.

At the present low reenlistment rates it will be necessary to replace 800,000 of the 1 million enlisted men who will become eligible for release from the military

services during the coming year. The loss of such large numbers of trained men results in the dissipation of a considerable financial investment which the Government has made in the training of such individuals, both basic and specialized training; and necessitates the reinvestment of time and money in new personnel, in order to bring those individuals to the same level of efficiency possessed by trained military members. If the pattern continues at the current composite reenlistment rate of 20 percent, the burden of constantly reinvesting training costs for 80 percent of the personnel will not only result in greatly increased costs to the Armed Forces, but will also cause an unhealthy dilution of the trained military force.

The situation is equally acute with regard to young officers whose training in their initial years of service involves a substantial expenditure. For example, in the Navy approximately 4,000 young officers terminated their obligated military service in calendar year 1954. Out of that number only 200 elected to remain in the active service. Additionally of this 200, 141 requested extensions of their active duty for only 6 months. Forty-six requested, and received, active-duty agreements varying from 1 to 5 years and 13 expressed an interest in transferring to the Regular Navy. Experience in the other services is generally the same as that of the Navy. As a result, there is an alarming shortage of officers in the 4- to 10-year experience category. Failure to attract more officers who will serve on a career basis will cause a deterioration in leadership and skill which will endanger our future security.

Field studies of the problem of high military personnel turnover reveal that there are two major factors dissuading personnel who might otherwise reenlist. These are the level of compensation in relation to private industry; and the instability of military life. The rise of widespread supplementary pay and retirement practices and employees' benefits now being granted in private industry has neutralized any advantage the military services had only a few years ago in procurement and retention of career personnel.

Additionally, this legislative proposal would provide for selective increases in incentive-hazardous duty pay for air and submarine crews and would also increase the hazardous-duty pay for demolition work, parachute duty, deep-sea diving, and certain other specialties.

The Department of Defense is convinced that the military services must offer adequate special pay in order to attract men who are willing to undertake certain unusually hazardous duties involving risks of death or disability in the execution of military functions. It is believed that this legislation will provide a more adequate incentive for men to engage in such hazardous duties than is now provided under current law.

The per diem allowances for temporary travel duty would be raised from \$9, but not to exceed \$12, per day and a dislocation allowance would be provided military personnel with dependents who are ordered to a new permanent duty station. The proposed dislocation allowance is based on the principle that persons who must move to new stations of duty on the orders of their employer should be assisted in absorbing the additional costs of such dislocation. The practice of providing an additional monetary allowance for this purpose is widely used in private industry as well as in the Armed Forces of many other countries. Surveys conducted by the military services reveal that moving costs to the servicemen generally vary in amounts relating to grade and that such costs exceed the amount of the monthly quarters allowance.

#### COST AND BUDGET DATA

In the event this legislation is enacted it is estimated that the following increased costs will result for the Department of Defense for fiscal year 1956:

	<i>In millions</i>
Army .....	\$222.4
Navy .....	205.3
Air Force .....	265.6
Marine Corps .....	36.4
Total .....	729.7

While such increased costs were not included within the proposed operating budget for fiscal year 1956, funds for this and certain other items will be shown in the budget as proposed for later transmission, contingent upon authorizing legislation.

Sincerely yours,

RICHARD A. BUDDEKE,  
Director, Legislative Programs.

A. MESSAGE FROM THE PRESIDENT OF THE UNITED STATES RELATIVE TO THE  
PERSONNEL TURNOVER IN THE MILITARY SERVICES OF THE UNITED STATES

JANUARY 13, 1955.

*To the Congress of the United States:*

We are traditionally a peace-loving people, with a heritage founded on the dignity of the individual. Because our defense planning is developed within this framework, we seek to man our Armed Forces with volunteers to the greatest extent possible. This is a basic objective.

To sustain our active forces at required levels of strength and efficiency, it is necessary to increase the present rate of voluntary enlistments. It is also necessary to induce volunteers, both officers and enlisted men, to continue in the service on a career basis in order to obtain maximum usefulness from the skills and leadership which are achieved after long and costly training. The increasing mechanization and complexity of defense forces make technical skills and a wide background of experience vastly more important than ever before.

The need for forces of the size now contemplated in our planning is obvious. The responsibilities and obligations imposed on us by our position of leadership in world affairs require that we stand prepared to shoulder the accompanying burdens.

But at this time, when we must still maintain large forces under arms and alerted throughout the world, it is difficult to attract and retain volunteers, both enlisted and commissioned.

For example, only 11.6 percent of Army personnel reenlisted in 1954 compared with a rate of 41.2 percent in 1949. The other services, particularly the Marine Corps, have also experienced sharp drops in the rate of reenlistments and today the composite rate for all services is 20 percent.

Approximately 1 million enlisted men will become eligible for release from the military services during the coming year. Under present low reenlistment rates, it will be necessary to replace about 800,000 of these men.

The investment in this skilled manpower is enormous. For example, it costs approximately \$3,200 to put one man through the normal course of basic training. It costs an additional \$2,000 to \$5,000 to train a man in the typical technical skills that are so essential in the military system of today. It costs \$120,000 to train a jet pilot.

These are just a few indications of the expense associated with training alone. Moreover, the cost of equipment, transportation, and other items goes up as the rate of personnel turnover increases.

The seriousness of the situation was recognized by the 83d Congress when it substantially raised reenlistment bonuses.

#### REASONS FOR THE HIGH PERSONNEL TURNOVER

Field studies made by the services have attempted to pinpoint reasons for the high personnel turnover rates. A very large portion of the military personnel surveyed expressed dissatisfaction with traditional service benefits, such as PX facilities, dependents' medical care, family housing, death benefits for survivors, and related items. Wherever administrative action can improve conditions, action is being taken by the services. However, legislation is necessary for changes in most benefits and in the level of compensation.

Since 1949 there has been one increase in pay which, along with increases in allowances, amounted to an aggregate advance in compensation of 5.7 percent. Military pay, nevertheless, has fallen behind that of industry. In addition, supplementary pay practices, health, security and retirement benefits and bonus systems are now widespread throughout industry, and this fact tends to neutralize such advantage as the military services had in these fields.

#### EFFECTS OF HIGH TURNOVER RATE ON OPERATIONAL EFFICIENCY

While the high turnover in military personnel is costly in dollars, even more costly is the loss of experience and operational efficiency which results from it.

We are losing too many men trained in leadership and technical skills—the experienced hard core of a modern fighting force. To maintain required percentages of young officers we must obtain them from the service academies and from Reserve training units. A certain number should elect to continue a service career beyond the required minimum time. Yet not enough of our younger officers currently continue in military service. In 1954, 4,000 young Naval



Reserve officers completed their obligated period of service. Only 200 of these elected to remain in the career service.

As a result of the loss of younger officers, there is a noticeable shortage of officers and men in the services with intermediate levels of experience. In the Army, for example, there are substantially fewer officers with 4 to 10 years' service than with 10 to 15 years' experience. In the other services, a similar situation exists. A large percentage of officers in the older age group who saw service in World War II and in Korea outnumbers a proportionately smaller group of younger officers. We must not allow this trend to continue.

A continuing shrinkage in the rolls of young, experienced, commissioned and noncommissioned officers will blunt the battle readiness of our combat units.

#### HAZARDOUS AND SPECIAL DUTY

Peacetime military service has become more arduous, more dangerous, and more disruptive of normal living habits. The era of nuclear weapons and jet propulsion has drawn our services into new dimensions of hazard and uncertainty. For example, jet flying is ranked by insurance companies as the most hazardous of all occupations. Many young fliers find it impossible to secure insurance coverage and those who can get it must pay a sizable premium differential.

While we are in a peacetime situation, many men in the Strategic Air Command, the Air Defense Command, and various naval units are on alert up to 60 hours per week, subject to sudden and prolonged absences from home and loved ones. Airborne troops of the Army and submarine crews of the Navy are also exposed to discomforts and dangers not found in civilian pursuits.

#### CONCLUSIONS

The fundamental objectives to be attained by the proposed legislation are the attraction of young men to a military career and the retention of men in this career once they have chosen it. In addition, it is necessary to offer special attractions to men who undertake the particularly hazardous jobs that are becoming more important as weapons become increasingly complex.

These objectives require compensation which is more in line with that offered by private industry. They also require strengthening of traditional service benefits in recognition of the unusual difficulties facing the serviceman and his family. Servicemen frequently live in isolated areas and under circumstances that can be extremely trying. They are subject to frequent and long absences from their families, enforced on them by their defense missions.

Both pay and the nonpay benefits are important, varying with the status of the men we are trying to attract. At the present time, 60 percent of personnel on active duty are unmarried. These men are less likely to be attracted by deferred or family benefits than by an increase in pay.

So our problem is twofold: On the one hand we must attract more of the young, unmarried men into a military career. On the other, we must provide advantageous benefits for those who have families.

In proposing adjustments in pay I do not recommend that any across-the-board increase should be authorized. Such pay adjustments should foster career service. Specifically, no increase is proposed in the first 2 years for enlisted men, because this is the least valuable period of a man's service, and no increases are proposed in the first 3 years for officers. Our efforts should be directed at inducing men to stay on after those periods. For this reason I consider it highly important that a schedule of selective adjustments be approved.

#### RECOMMENDATIONS

In summary, my recommendations are as follows:

(1) The compensation of military-service personnel should be increased on a selective basis. The aggregate increase proposed would add approximately 6.7 percent to the present level of pay and allowances.

(2) Hazardous-duty pay for airmen and submarine crews should be increased, also on a selective basis, and increases also should be made in the hazardous-duty pay for parachute duty, demolition work, deep-sea diving, and certain other specialties.

(3) Other nonpay benefits should be provided, including—

(a) A "dislocation" allowance for military personnel with dependents who are ordered to a new permanent-duty station.

(b) An increase in the per diem allowance for temporary duty travel from \$9 to \$12, in keeping with a comparable proposal for civilian Government employees.

(c) More housing for service families in areas where present facilities are insufficient and authority for reduced rentals where men and their families must live temporarily in substandard housing.<sup>1</sup>

(d) Removal of existing inequities and provision for better medical care for military families.<sup>1</sup>

(e) Equalization of survivor benefits according to rank for active and retired personnel.<sup>1</sup>

These recommendations are vitally important to the welfare of our military people and to the sustained security of the Nation. It is the objective of the Government that the size of the active Military Establishment shall be no greater than is consistent with the needs of national security. It shall always be our objective, in the present world situation, to maintain a military force that we can support for the many years that may be necessary to dispel the shadow of Communist threat. In my judgment, the measures herein presented will strengthen our security and preserve our way of life.

I urge that the Congress give early and favorable consideration to the recommendations I have herein submitted.

DWIGHT D. EISENHOWER.

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<sup>1</sup> Recommendations contained in items (3) (c), (3) (d), and (3) (e) are not contained in the pay bill but will be subject of separate legislative recommendations.

## CAREER INCENTIVE ACT OF 1955

In compliance with Subsection 4 rule XXIX of the Standing Rules of the Senate there is printed below in parallel columns the text of the provisions of existing law which would be amended by various provisions of the bill.

## EXISTING LAW

Career Compensation Act of 1949 (63 Stat. 804), as amended:

Sec. 201 (a). For the purpose of computing the basic pay of members of the uniformed services, pay grades are prescribed and monthly basic pay for such members is established within each pay grade according to cumulative years of service, as follows

## COMMISSIONED OFFICERS

Pay grade	Under 2	Over 2	Over 4	Over 6	Over 8	Over 10	Over 12
O-8-----	\$963.30	\$963.30	\$963.30	\$963.30	\$963.30	\$963.30	\$963.30
O-7-----	800.28	800.28	800.28	800.28	800.28	800.28	800.28
O-6-----	592.80	592.80	592.80	592.80	592.80	592.80	592.80
O-5-----	474.24	474.24	474.24	474.24	474.24	474.24	489.06
O-4-----	400.14	400.14	400.14	400.14	414.96	429.78	444.60
O-3-----	326.04	326.04	340.86	355.68	370.50	385.32	400.14
O-2-----	259.36	274.18	288.00	303.82	318.64	333.46	348.28
O-1-----	222.30	237.12	251.94	266.76	281.58	296.40	311.22

  

Pay grade	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
O-8-----	\$963.30	\$963.30	\$963.30	\$963.30	\$963.30	\$992.94
O-7-----	800.28	800.28	800.28	800.28	829.92	859.56
O-6-----	592.80	607.62	637.26	666.90	696.54	726.18
O-5-----	503.88	518.70	548.34	577.98	607.62	637.26
O-4-----	459.42	474.24	503.88	518.70	533.52	533.52
O-3-----	414.96	429.78	444.60	459.42	459.42	459.42
O-2-----	363.10	363.10	363.10	363.10	363.10	363.10
O-1-----	326.04	326.04	326.04	326.04	326.04	326.04

## WARRANT OFFICERS

Pay grade	Under 2	Over 2	Over 4	Over 6	Over 8	Over 10	Over 12
W-4-----	\$332.90	\$332.90	\$332.90	\$348.04	\$363.17	\$378.30	\$393.43
W-3-----	302.64	302.64	302.64	310.21	317.77	325.34	332.90
W-2-----	264.82	264.82	264.82	264.82	272.38	279.95	287.51
W-1-----	219.42	219.42	219.42	226.98	234.55	242.11	249.68

  

Pay grade	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
W-4-----	\$408.56	\$423.70	\$438.83	\$453.96	\$469.09	\$484.22
W-3-----	340.48	348.04	363.17	378.30	393.43	408.56
W-2-----	295.08	302.64	317.77	332.90	348.04	363.17
W-1-----	267.24	264.82	279.95	295.08	310.21	310.21

## CAREER INCENTIVE ACT OF 1955

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## THE BILL

SEC. 2. The Career Compensation Act of 1949 (63 Stat. 804), as amended, is further amended as follows:

(1) Section 201 (a) is amended by striking out the tables therein and inserting the following in lieu thereof:

## COMMISSIONED OFFICERS

Pay grade	Years of service						
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10
O-8.....	\$963.30	\$963.30	\$1,021.80	\$1,021.80	\$1,021.80	\$1,021.80	\$1,021.80
O-7.....	800.28	800.28	850.20	850.20	850.20	850.20	850.20
O-6.....	592.80	592.80	631.80	631.80	631.80	631.80	631.80
O-5.....	474.24	474.24	507.00	507.00	507.00	507.00	507.00
O-4.....	400.14	400.14	429.00	429.00	429.00	452.40	483.60
O-3.....	326.04	326.04	351.00	374.40	405.80	421.20	436.80
O-2.....	259.36	274.18	335.40	335.40	351.00	366.60	382.20
O-1.....	222.30	237.12	296.40	296.40	312.00	327.60	343.20

Pay grade	Years of service						
	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
O-8.....	\$1,021.80	\$1,021.80	\$1,021.80	\$1,021.80	\$1,021.80	\$1,021.80	\$1,076.40
O-7.....	850.20	850.20	850.20	850.20	850.20	904.80	967.20
O-6.....	631.80	631.80	655.20	717.60	748.80	780.00	811.20
O-5.....	530.40	561.60	577.20	608.40	639.60	670.80	670.80
O-4.....	499.20	514.80	530.40	561.60	577.20	592.80	592.80
O-3.....	452.40	468.00	483.60	499.20	514.80	514.80	514.80
O-2.....	397.80	413.40	413.40	413.40	413.40	413.40	413.40
O-1.....	358.80	374.40	374.40	374.40	374.40	374.40	374.40

## WARRANT OFFICERS

Pay grade	Years of service						
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10
W-4.....	\$332.90	\$354.90	\$354.90	\$354.90	\$370.50	\$386.10	\$401.70
W-3.....	302.64	323.70	323.70	323.70	331.50	339.30	347.10
W-2.....	264.82	280.80	280.80	280.80	288.60	304.20	319.80
W-1.....	219.42	251.20	251.20	251.20	266.80	286.30	294.10

Pay grade	Years of service						
	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
W-4.....	\$421.20	\$452.40	\$468.00	\$483.60	\$499.20	\$514.80	\$530.40
W-3.....	358.80	374.40	382.20	405.60	428.00	443.60	459.20
W-2.....	335.40	350.00	357.80	373.40	389.00	404.60	420.20
W-1.....	305.80	313.60	321.40	337.00	352.60	368.20	383.80

## CAREER INCENTIVE ACT OF 1955

EXISTING LAW  
ENLISTED PERSONS

Pay grade	Under 2	Over 2	Over 4	Over 6	Over 8	Over 10	Over 12
E-7	\$206.39	\$206.39	\$211.03	\$221.68	\$229.32	\$236.96	\$244.61
E-6	175.81	175.81	183.46	191.10	198.74	206.39	214.03
E-5	147.24	152.88	160.52	168.17	175.81	183.46	191.10
E-4	122.30	129.95	137.59	145.24	152.88	160.52	168.17
E-3	99.37	107.02	114.66	122.30	129.95	137.59	145.24
E-2	85.80	93.60	101.40	109.20	117.00	124.80	132.60
E-1 (over 4 months)	84.20	91.00	98.80	98.80	98.80	98.80	98.80
E-1 (under 4 months)	78.00						

  

Pay grade	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
E-7	\$252.25	\$259.90	\$275.18	\$280.47	\$305.76	\$305.76
E-6	221.68	229.32	244.61	259.90	259.90	259.90
E-5	198.74	206.39	221.68	236.96	236.96	236.96
E-4	175.81	183.46	198.74	198.74	198.74	198.74
E-3	152.88	152.88	152.88	152.88	152.88	152.88
E-2	124.80	124.80	124.80	124.80	124.80	124.80
E-1	98.80	98.80	98.80	98.80	98.80	98.80

Sec. 201 (d). For basic pay purposes, enlisted persons shall be distributed by the Secretary concerned in the various pay grades prescribed for enlisted persons in subsection (a) of this section.

Sec. 201 (e). All members of the uniformed services when on the active list when on active duty, or when participating in full-time training, training duty with pay or other full-time duty (provided for or authorized in the National Defense Act, as amended, or in the Naval Reserve Act of 1938, as amended, or in other provisions of law, including participation in exercises or performance of the duties provided for by sections 5, 81, 94, 97, and 99 of the National Defense Act, as amended), and in addition thereto, all members of the National Guard and the Air National Guard when they are entitled by law to receive from the Federal Government the same pay as that authorized for members of the Regular components of the uniformed services of corresponding grade or rank, shall be entitled to receive the basic pay of the pay grade to which assigned, or in which distributed, pursuant to subsection (b), (c), or (d) of this section, in accordance with cumulative years of service: *Provided*, That in accordance with regulations prescribed by the President, in the case of members of the uniformed services called or ordered to extended active duty in excess of thirty days, active duty shall include the time required to perform travel from home to first duty station and from last duty station to home by the mode of transportation authorized in orders for such members: *Provided further*, That any full-time training, training duty with pay, or other full-time duty performed by members of the National Guard of the United States or the Air National Guard of the United States, pursuant to this section, while in their status as members of the National Guard or the Air National Guard of the several States, Territories, and the District of Columbia and which entitles them to receive basic pay, shall be deemed to be active duty in the service of the United States.

Sec. 204 (a). Subject to such regulations as may be prescribed by the President, members of the uniformed services entitled to receive basic pay shall, in addition thereto, be entitled to receive incentive pay for the performance of hazardous duty required by competent orders. The following duties shall constitute hazardous duties:

**THE BILL**  
**ENLISTED PERSONS**

Pay grade	Years of service						
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10
E-7-----	\$206.39	\$222.30	\$222.30	\$230.10	\$237.90	\$253.50	\$261.30
E-6-----	175.81	187.20	187.20	195.00	214.50	222.30	234.00
E-5-----	145.24	163.80	163.80	183.30	191.10	202.80	210.60
E-4-----	122.30	140.40	140.40	159.90	167.70	179.40	187.20
E-3-----	99.37	117.00	117.00	132.60	140.40	148.20	156.00
E-2-----	85.80	101.40	101.40	109.20	117.00	124.80	132.60
E-1-----	83.20	98.80	98.80	106.60	106.60	106.60	106.60
E-1 (under 4 months)-----	78.00						

  

Pay grade	Years of service						
	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
E-7-----	\$273.00	\$280.80	\$288.60	\$304.20	\$319.80	\$335.40	\$335.40
E-6-----	241.80	249.60	257.40	273.00	288.60	288.60	288.60
E-5-----	218.40	226.20	234.00	241.80	257.50	257.50	257.50
E-4-----	195.00	202.80	210.60	218.40	218.40	218.40	218.40
E-3-----	159.90	163.80	163.80	163.80	163.80	163.80	163.80
E-2-----	132.60	132.60	132.60	132.60	132.60	132.60	132.60
E-1-----	106.60	106.60	106.60	106.60	106.60	106.60	106.60

(2) Section 201 is further amended by redesignating subsections "(d)" and "(e)" as "(c)" and "(d)", respectively.

(3) Section 201 is further amended by adding the following new subsection:

"(e) Aviation cadets enlisted or appointed under the Army Aviation Cadet Act (55 Stat. 239), as amended, or under the Naval Aviation Cadet Act of 1942 (56 Stat. 737), as amended, are entitled to monthly pay at the rate of 50 per centum of the basic pay of a commissioned officer in pay grade O 1 with under two cumulative years of service.

"(f) Any officer serving on active duty in the grade of lieutenant general or vice admiral shall, in addition to the pay and allowances to which he is entitled by the provisions of this Act, be entitled to an additional increment of basic pay in an amount of \$100 per month. Any officer serving on active duty in the grade of general or admiral shall, in addition to the pay and allowances to which he is entitled by the provisions of this Act, be entitled to an additional increment of basic pay in an amount of \$200 per month. The additional increments provided by this subsection shall not be considered a part of the active duty pay or of the monthly basic pay of these grades for the purpose of the computation of retired pay."

(4) Section 204 (a) is amended by—

## EXISTING LAW

- (1) duty as a crew member as determined by the Secretary concerned, involving frequent and regular participation in aerial flight;
- (2) duty on board a submarine, including submarines under construction from the time builders' trials commence;
- (3) duty involving frequent and regular participation in aerial flights not as a crew member pursuant to part (1) of this subsection;
- (4) duty involving frequent and regular participation in glider flights;
- (5) duty involving parachute jumping as an essential part of military duty;
- (6) duty involving intimate contact with persons afflicted with leprosy;
- (7) duty involving the demolition of explosives as a primary duty, including training for such duty;
- (8) duty at a submarine escape training tank, when such duty involves participation in the training; and
- (9) duty at the Navy Deep Sea Diving School or the Navy Experimental Diving Unit, when such duty involves participation in training.

Sec. 204 (b). For the performance of hazardous duty as prescribed in part (1) or (2) of subsection (a) of this section, members of the uniformed services qualifying for the incentive pay authorized pursuant to said subsection shall be entitled to be paid at the following monthly rates according to the pay grade to which assigned or in which distributed for basic pay purposes:

<i>Pay grade</i>	<i>Monthly rate</i>
O-8-----	\$150.00
O-7-----	150.00
O-6-----	210.00
O-5-----	180.00
O-4-----	150.00
O-3-----	120.00
O-2-----	110.00
O-1-----	100.00

## THE BILL

(A) striking out the word "part" in clause (3) and inserting the word "clause" in lieu thereof;

(B) striking out the word "and" at the end of clause (3);

(C) striking out the period at the end of clause (9) and inserting a semicolon in lieu thereof; and

(D) adding the following new clauses:

"(10) duty as low-pressure chamber inside observer;

"(11) duty as human acceleration or deceleration experimental subject; and

"(12) duty involving the use of helium-oxygen for a breathing mixture in the execution of deep-sea diving."

(5) Section 204 (b) is amended to read as follows:

"(b) For the performance of hazardous duty as prescribed in clause (1) or (2) of subsection (a) of this section, a member of a uniformed service qualifying for incentive pay thereunder is entitled to pay at a monthly rate as follows:

INCENTIVE PAY FOR HAZARDOUS DUTY PERFORMED UNDER SECTION 204 (A) (1)  
AND (2)

COMMISSIONED OFFICERS

Pay grade	Years of service						
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10
O-8.....	\$155.00	\$155.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00
O-7.....	150.00	150.00	160.00	160.00	160.00	160.00	160.00
O-6.....	200.00	200.00	215.00	215.00	215.00	215.00	215.00
O-5.....	190.00	190.00	205.00	205.00	205.00	205.00	205.00
O-4.....	170.00	170.00	185.00	185.00	185.00	195.00	210.00
O-3.....	145.00	145.00	155.00	165.00	180.00	185.00	190.00
O-2.....	115.00	125.00	150.00	150.00	160.00	165.00	170.00
O-1.....	100.00	105.00	135.00	135.00	140.00	145.00	155.00

  

Pay grade	Years of service						
	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
O-8.....	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00
O-7.....	160.00	160.00	160.00	160.00	160.00	160.00	160.00
O-6.....	215.00	215.00	220.00	245.00	245.00	245.00	245.00
O-5.....	210.00	225.00	230.00	245.00	245.00	245.00	245.00
O-4.....	215.00	220.00	230.00	240.00	240.00	240.00	240.00
O-3.....	200.00	205.00	205.00	205.00	205.00	205.00	205.00
O-2.....	180.00	185.00	185.00	185.00	185.00	185.00	185.00
O-1.....	160.00	170.00	170.00	170.00	170.00	170.00	170.00



## EXISTING LAW

<i>Pay grade</i>	<i>Monthly rate</i>
W-4 .....	\$100.00
W-3 .....	100.00
W-2 .....	100.00
W-1 .....	100.00

<i>Pay grade</i>	<i>Monthly rate</i>
E-7 .....	\$75.00
E-6 .....	67.50
E-5 .....	60.00
E-4 .....	52.50
E-3 .....	45.00
E-2 .....	37.50
E-1 .....	30.00

SEC. 204 (c). For the performance of any hazardous duty as prescribed in parts (3) to (9), inclusive, of subsection (a) of this section by officers and enlisted persons qualifying for the incentive pay authorized pursuant to said subsection, officers shall be entitled to be paid at the rate of \$100 per month, and enlisted persons shall be entitled to be paid at the rate of \$50 per month.

SEC. 204 (c). No aviation cadet shall be entitled to receive any incentive pay authorized pursuant to this section.

SEC. 204 (f). No member of the uniformed services shall be entitled to receive more than one payment of any incentive pay authorized pursuant to this section for the same period of time during which he may qualify for more than one payment of such incentive pay.

SEC. 205 (a). An enlisted person of the uniformed services entitled to receive basic pay and assigned to duty of diving shall, in addition to basic pay, be entitled to receive special pay, under such regulations as may be prescribed by the Secretary concerned, at the rate of not less than \$5 per month and not exceeding \$30 per month.

THE BILL  
WARRANT OFFICERS

Pay grade	Years of service						
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10
W-4-----	\$115.00	\$115.00	\$115.00	\$115.00	\$120.00	\$125.00	\$135.00
W-3-----	110.00	115.00	115.00	115.00	120.00	120.00	125.00
W-2-----	105.00	110.00	110.00	110.00	115.00	120.00	125.00
W-1-----	100.00	105.00	105.00	105.00	110.00	120.00	125.00

Pay grade	Years of service						
	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
W-4-----	\$145.00	\$155.00	\$160.00	\$165.00	\$165.00	\$165.00	\$165.00
W-3-----	135.00	140.00	140.00	140.00	140.00	140.00	140.00
W-2-----	130.00	135.00	135.00	135.00	135.00	135.00	135.00
W-1-----	130.00	130.00	130.00	130.00	130.00	130.00	130.00

ENLISTED PERSONS

Pay grade	Years of service						
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10
E-7-----	\$80.00	\$85.00	\$85.00	\$85.00	\$90.00	\$95.00	\$100.00
E-6-----	70.00	75.00	75.00	80.00	85.00	90.00	95.00
E-5-----	60.00	70.00	70.00	80.00	80.00	85.00	90.00
E-4-----	55.00	65.00	65.00	70.00	75.00	80.00	80.00
E-3-----	55.00	60.00	60.00	60.00	60.00	60.00	60.00
E-2-----	50.00	60.00	60.00	60.00	60.00	60.00	60.00
E-1-----	50.00	55.00	55.00	55.00	55.00	55.00	55.00
E-1 (under 4 months)-----	50.00						
Aviation cadets-----	50.00						

Pay grade	Years of service						
	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
E-7-----	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00
E-6-----	95.00	100.00	100.00	100.00	100.00	100.00	100.00
E-5-----	95.00	95.00	95.00	95.00	95.00	95.00	95.00
E-4-----	80.00	80.00	80.00	80.00	80.00	80.00	80.00
E-3-----	60.00	60.00	60.00	60.00	60.00	60.00	60.00
E-2-----	60.00	60.00	60.00	60.00	60.00	60.00	60.00
E-1-----	55.00	55.00	55.00	55.00	55.00	55.00	55.00

(6) Section 204 (e) is amended to read as follows:  
“(e) Officers and enlisted persons of the uniformed services who are qualified for the incentive pay authorized under subsection (a) are entitled to be paid at the rate of \$110 and \$55 per month, respectively, for the performance of any hazardous duty described in clauses (3) to (12) of subsection (a).”

(7) Section 204 (e) is repealed and subsection “(f)” is redesignated as “(e)”.

(8) Section 205 (a) is amended by striking out the figures “\$5” and “\$30” and inserting in lieu thereof the figures “\$5.50” and “\$33”, respectively.

EXISTING LAW

Sec. 205 (b). Members of the uniformed services entitled to receive basic pay and employed as divers in actual salvage or repair operations in depths of over ninety feet, or in depths of less than ninety feet, when the officer in charge of the salvage or repair operation shall find, in accordance with regulations prescribed by the Secretary concerned, that extraordinary hazardous conditions exist, shall, in addition to basic pay, be entitled to receive the sum of \$5 per hour for each hour or fraction thereof while so employed. The amounts authorized to be paid pursuant to this subsection shall, in the case of enlisted persons, be in addition to the amounts authorized pursuant to subsection (a) of this section.

Sec. 205 (c). No member of the uniformed services shall be entitled to receive the special pay authorized pursuant to this section in addition to incentive pay authorized pursuant to section 204 of this Act.

Sec. 303 (a). \* \* \* The travel and transportation allowances which shall be authorized for each type of travel shall be limited to one of the following: (1) Transportation in kind, reimbursement therefor, or a monetary allowance in lieu of cost of transportation at a rate not in excess of 7 cents per mile based on distances established or to be established over the shortest usually traveled routes, in accordance with mileage tables prepared by the Chief of Finance of the Department of the Army under the direction of the Secretary of the Army, (2) transportation in kind, reimbursement therefor, or a monetary allowance as provided in (1) of this sentence, plus a per diem in lieu of subsistence not to exceed \$9 per day, or (3) for travel within the continental limits of the United States a mileage allowance of not exceeding 10 cents per mile based on distances established or to be established pursuant to existing law:

Sec. 303 (c). In addition to the allowances authorized above, under such conditions and limitations and for such ranks, grades, or ratings and to and from such locations as may be prescribed by the Secretaries concerned, members of the uniformed services when ordered to make a change of permanent station shall be entitled to transportation in kind for dependents or to reimbursement therefor, or to a monetary allowance in lieu of such transportation in kind at a rate to be prescribed not in excess of the rate authorized in subsection (a) of this section, and in connection with a change of station (whether temporary or permanent), to transportation (including packing, crating, drayage, temporary storage, and unpacking) of baggage and household effects, or reimbursement therefor, to and from such locations and within such weight allowances as may be prescribed by the Secretaries, without regard to the comparative costs of the various modes of transportation. \* \* \*

THE BILL

(9) Section 205 (b) is amended by striking out the figure "\$5" and inserting the figure "\$5.50" in lieu thereof.

(10) Section 205 (c) is amended by adding the following at the end thereof:

"However, receipt of incentive pay under that section does not bar the member from entitlement to \$5.50 for each hour or fraction thereof in addition to basic pay, as authorized by subsection (b) of this section."

(11) The last sentence of section 303 (a) is amended by striking out the figure "\$9" in clause (2) and inserting in lieu thereof the figure "\$12".

(12) Section 303 (c) is amended by inserting the following at the end of the first sentence thereof:

"Under such regulations as may be approved by the Secretary concerned, a member of a uniformed service whose dependents are authorized to move and actually move in connection with his permanent change of station shall be entitled to a dislocation allowance equal to his monthly basic allowance for quarters. However, the member shall be entitled to the payment of a dislocation allowance for not more than one permanent change of station during any fiscal year, except on the finding of the Secretary of the Department concerned that the exigencies of the service require more than one such change of station during any fiscal year. This limitation upon the payment of a dislocation allowance shall not apply to members of the uniformed services ordered to service schools as a permanent change of station. In addition, this limitation shall not be applicable in time of war or national emergency declared after the effective date of this amendatory Act. A member is not entitled to payment of a dislocation allowance when ordered from home to first duty station or from last duty station to home."

(13) Section 303 (c) of the Career Compensation Act is amended by adding at the end of such subsection the following: "In lieu of transportation of baggage and household effects, a member of a uniformed service who transports a house trailer or mobile dwelling within the continental United States for use as a residence and who would otherwise be entitled to transportation of baggage and household effects, under this section, shall under regulations prescribed by the Secretary concerned be entitled to a reasonable allowance, not to exceed 20 cents per mile, or to the dislocation allowance authorized in this section, whichever he shall elect".

EXISTING LAW

SEC. 508. Cadets at the United States Military Academy, midshipmen at the United States Naval Academy, and cadets at the Coast Guard Academy shall be entitled to receive pay at the rate of \$973.44 per annum, and to receive allowances as now or hereafter provided by law for midshipmen in the Navy, and to transportation, including reimbursement of traveling expenses, while traveling under orders as a cadet or midshipman.

SEC. 202 (d). The period of time to be counted in the computation of basic pay shall be the total of all periods authorized to be counted for such purpose in any of the uniformed services, but the same period of time shall not, for any reason, be counted more than once: *Provided*, That retired enlisted men heretofore or hereafter retired with credit for thirty years' service in the Army, Navy, or Marine Corps, and who served beyond the continental limits of the United States between 1898-1912, such service having been computed under previous laws as double time toward retirement, shall be entitled to receive the maximum retired pay now or hereafter provided for the grade in which retired.

Naval Aviation Cadet Act of 1942 (56 Stat. 737), as Amended (34 U. S. C. 850e)

SEC. 4. Aviation cadets, while on active duty, shall be entitled to be paid at the rate of \$109.20 per month, which pay shall include extra pay for flying. They shall be entitled to receive, in addition the same allowance for subsistence as is now or may hereafter be authorized for officers of the Navy, and shall, while on active duty, be furnished quarters, medical care, and hospitalization, and shall be issued uniforms, clothing, and equipment at Government expense. When traveling under orders, aviation cadets shall be entitled to receive transportation and other necessary expenses incident to such travel, or cash in lieu thereof, on the same basis and at the same rates as are now or may hereafter be prescribed for enlisted personnel of the Navy.

Army Aviation Cadet Act (55 Stat. 240), as amended (10 U. S. C. 303, 304, 304b)

SEC. 4. Aviation cadets, while on active duty, shall be entitled to be paid at the rate of \$109.20 per month, which pay shall include extra pay for flying. They shall be entitled to receive, in addition, the same allowance for subsistence as is now or may hereafter be authorized for officers of the Army, and shall, while on active duty be furnished quarters, medical care, and hospitalization, and shall be issued uniforms, clothing, and equipment at Government expense. When traveling under orders, aviation cadets shall be entitled to receive transportation and other necessary expenses incident to such travel, or cash in lieu thereof, on the same basis and at the same rates as are now or may hereafter be prescribed for enlisted personnel of the Army.

THE BILL

(14) Section 508 is further amended to read as follows:

"Cadets at the United States Military Academy, midshipmen at the United States Naval Academy, cadets at the United States Air Force Academy, and cadets at the Coast Guard Academy shall be entitled to receive pay at the rate of 50 per centum of the basic pay established for a commissioned officer in pay grade O-1 with under two cumulative years' service, and to receive allowances as now or hereafter provided by law for midshipmen in the Navy, and to transportation, including reimbursement of traveling expenses, while traveling under orders as a cadet or midshipman."

(15) Section 202 (d) is amended by striking out the period at the end thereof, inserting a comma and adding the following:

"including retired enlisted men advanced to commissioned officer rank on the retired list by virtue of the Act of May 7, 1932 (Public Law 123, Seventy-second Congress)."

SEC. 3. Section 4 of the Naval Aviation Cadet Act of 1942, as amended (34 U. S. C. 850c) is amended by—

(1) striking out the first sentence; and

(2) amending the second sentence to read as follows:

"Aviation cadets, while on active duty, are entitled to the same allowances for subsistence now or hereafter provided for officers of the Navy, and shall, while on active duty, be furnished quarters, medical care, and hospitalization, and have issued to them uniforms, clothing, and equipment at Government expense."

SEC. 4. Section 4 of the Army Aviation Cadet Act, as amended (10 U. S. C. 303, 304, 304b), is amended by—

(1) striking out the first sentence; and

(2) amending the second sentence to read as follows:

"Aviation cadets, while on active duty, are entitled to the same allowances for subsistence now or hereafter provided for officers of the Army, and shall, while on active duty, be furnished quarters, medical care, and hospitalization, and have issued to them uniforms, clothing and equipment at Government expense."

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84TH CONGRESS <i>1st Session</i>	} HOUSE OF REPRESENTATIVES {	REPORT No. 90
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## CAREER INCENTIVE ACT OF 1955

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MARCH 8, 1955.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Mr. KILDAY, from the Committee on Armed Services, submitted the following

### REPORT

[To accompany H. R. 4720]

The Committee on Armed Services, to whom was referred the bill (H. R. 4720) to provide incentives for members of the uniformed services by increasing certain pays and allowances, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

The purpose of the proposed legislation is to reduce to the greatest extent possible the extremely rapid turnover of personnel in our uniformed services.

The President of the United States in a message to the Congress, dated January 13, 1955, pointed out the urgent necessity for the enactment of the proposed legislation. In his message, the President stated that—

To sustain our active forces at required levels of strength and efficiency, it is necessary to increase the present rate of voluntary enlistments. It is also necessary to induce volunteers, both officers and enlisted men, to continue in the service on a career basis in order to obtain maximum usefulness from the skills and leadership which are achieved after long and costly training. The increasing mechanization and complexity of defense forces make technical skills and a wide background of experiences vastly more important than ever before.

During fiscal 1954, the armed services experienced one of the lowest reenlistment rates in the history of the Nation. The composite rate for all reenlistments in the armed services at that time was 14.9 percent. In the Army, for example, the reenlistment rate in 1954 was only 11.6 percent compared with a reenlistment rate of 41.2 percent in 1949. This rate for the Army reflects the very low reenlistment rate from among inductees, but even excluding inductees from the Army's reenlistment rate shows that the Army's reenlistment rate from among volunteers for fiscal 1954 was only 22 percent. The Army reenlistment rate in the past few months has increased, but this figure is based on a

smaller number of volunteers who entered the service during the Korean war and does not necessarily indicate a firm trend. Testimony also revealed that the rising rate of Army reenlistments may well reflect the anticipated pay increase contained in the proposed legislation.

In the Navy, the decline in reenlistment rates has been even more disturbing. In fiscal 1950, the Navy experienced a reenlistment rate of 66 percent. In fiscal 1951 through 1953 the Navy averaged a reenlistment rate of 61 percent. In fiscal 1954 the figure dropped to 23.7 percent, and from July to December of 1954 the reenlistment rate in the Navy has been reduced to only 8.1 percent, the lowest recorded figure in the history of the Navy.

In the Marine Corps, reenlistment rates for fiscal 1954 were 18.1 percent, and increased slightly to 20.1 percent in the period July through December of 1954. Marine Corps reenlistment rates have shown an increase recently which may be attributed to the reenlistment bonus law which went into effect last summer and likewise may well reflect the wide publicity that has been given to this proposed legislation.

The Air Force has been experiencing a declining reenlistment rate from an average of 56 percent for the fiscal years 1951 through 1953, to 31.2 percent in fiscal 1954; and for the period July through December 1954, a further decline to 22.4 percent.

Most alarming is the reenlistment rate from among volunteers in all of the services who are eligible to reenlist after completion of their first term of enlistment. The reenlistment rate for the period July through December 1954 of this group amounted to only 12 percent. The reenlistment rate from among those who have previously reenlisted shows a more favorable rate of approximately 63.2 percent, but this effect is drastically offset by the very low rate of reenlistment from among inductees which amounts to only 3.1 percent.

Approximately 80 percent of all individuals eligible for separation during this fiscal year are inductees or individuals who have volunteered for their first enlistment in a branch of the armed services.

Reenlistment rates have shown a slight increase since the enactment of the new reenlistment bonus law and since favorable publicity has appeared in most publications concerning this proposed pay increase, but a comparison of reenlistment rates for this fiscal year with previous fiscal years still shows that reenlistments in this fiscal year will be less than half of the reenlistment rate of fiscal 1950. And in spite of the reenlistment bonus law and favorable reaction to this proposed Career Incentive Act, the reenlistment rate from among inductees has shown no significant improvement.

The situation with regard to officers is equally alarming. In the Army, for example, only 21.8 percent of the distinguished graduates of ROTC and OCS programs eligible to apply for Regular commissions actually applied for Regular commissions. This contrasts with a 54.4-percent application rate for fiscal 1949. It is significant to note that from 1949 to 1954, and to the present date, the rate of application from among distinguished graduates of ROTC and OCS programs has shown a steady decline.

In the Navy, from among those eligible to apply for Regular commissions from NROTC, aviation cadet programs, and other officer programs, only 3.4 percent of the qualified personnel applied for Regular commissions. This contrasts with 7.2 percent for 1953.



In the Air Force, of the officers eligible to apply for Regular commissions from Air Force ROTC, aviation cadet, and OCS programs, only 6 percent applied for Regular commissions in fiscal 1954. This contrasts with a 11.6-percent application rate for fiscal 1953 and a 38.2-percent application rate in fiscal 1952.

Resignation rates from among Regular officers has shown a steady increase since officers have been permitted to submit their resignation following the termination of war in Korea. In the Army, for example, 187 officers resigned in fiscal 1949 as contrasted with 793 who resigned in fiscal 1954. In the Air Force, 69 resigned in fiscal 1949, as contrasted with 345 in fiscal 1954. In the Marine Corps, 73 officers resigned in fiscal 1949, as contrasted with 246 in fiscal 1954. In the Navy it is significant to note that the highest resignation rate from among commissioned officers were from those assigned to submarine and flight duty.

#### TRAINING COSTS

The cost involved in the very high turnover among our service personnel almost defies calculation. It is known that each man who enters the armed services and undergoes basic training and up to the time of assignment to his first unit, which involves approximately 6 months, costs the Government \$3,200 in pay, allowances, subsistence, clothing, and overhead directly chargeable to the trainee, together with the costs chargeable to the trainers. Approximately 1 million individuals will be eligible for separation from the armed services in fiscal 1955. At the present reenlistment rate it is anticipated that only about 200,000 individuals will reenlist in the armed services. If this reenlistment rate could be increased by 100,000 individuals, the savings in training costs alone for replacements would be tremendous. But this merely reflects basic training costs and does not include other vast investments that have been made in advanced training that many of these individuals have received. For example, in the Army, a radio repairman's training cost is over \$9,000. In the Navy, an electronics technician has a training cost of approximately \$8,900. A radar repairman in the Marine Corps has a training cost of \$12,870, and in the Air Force, an aircraft mechanic has a training cost of \$7,950. These examples are given since they are in fields in which there is a civilian demand for similar services and it has developed an area of competition to induce men to leave the service and enter civilian employment. Accordingly, in this area of training, it is extremely necessary that the services be prepared to offer proper inducements to maintain these people in the service and prevent their replacement training costs.

Turning now to officers, and more particularly the Air Force, it has been estimated that the overall training cost of an F-94C pilot, including such items as an air training command cost, depot maintenance cost, aircraft replacement costs, and total costs attributable to training, give a figure in excess of \$120,000. For larger type modern aircraft, this figure is, of course, larger, and in the B-47 category, the total costs attributable to training 1 pilot amount to about \$275,000. In other officer areas the cost of retraining replacements and the loss of valuable experience can hardly be estimated in dollar amounts and the least that can be said is that the loss of experience is costing this country an incalculable amount each year.

There have been several field studies made by the services which have attempted to determine the reasons for the high personnel turnover rate. While many factors have been indicated as partially responsible for this condition, a summation of what the services found would indicate that pay is the leading cause for dissatisfaction in the uniformed services. Military pay, as such, has fallen behind that of industry, and those intangible benefits which were once peculiar to the uniformed services have, as a general rule, been adopted throughout American industry with the result that the uniformed services can no longer offer these benefits as incentives. The services are losing too many men trained in leadership and technical skills. To maintain the required percentages of young officers and enlisted men we must provide adequate incentives to reduce the turnover in the military services. The purpose of the proposed legislation is to achieve this result to the greatest extent possible.

#### PAY INCREASES IN BASIC PAY UNDER THE PROPOSED LEGISLATION

Under the proposed legislation no officer with less than 3 years of service, and no warrant officer or enlisted person with less than 2 years of service will receive a pay increase. Thus, from E-1 to E-7 the basic pay for enlisted men with under 2 years of service remains the same. Likewise, in the case of officers, the pay remains the same for those with less than 3 years of service, regardless of grade.

In the warrant officer scale those with under 2 years of service receive no increase, but in view of the existing small differential between master sergeants and warrant officers, a substantial increase is provided for the grade of W-1, for warrant officers with over 2 years of service, in the amount of \$31.78. This represents the original amount recommended by the Hook Commission, the 4 percent added by the 1952 pay amendments to the Career Compensation Act, plus an additional \$25 to provide a sufficient differential to encourage enlisted personnel to enter the warrant grades.

Except for officers with less than 3 years of service and enlisted persons with less than 2 years of service, the proposed pay scales reflect a pay increase for all personnel of not less than 6 percent. For example, under the proposed legislation an E-1 (private) with over 2 years of service will receive an increase of 8.57 percent or \$7.80 per month, thus increasing his monthly pay from \$91 to \$98.80 per month. Thereafter he will receive increases in the same grade until he reaches a maximum of \$106.60 per month. No increases are provided beyond this point since he would then have reached a point where his progress in the armed services no longer justifies a pay increase in that grade.

An E-2 (private in the Army; private, first class, in the Marine Corps) with over 3 years of service now receives \$93.60 per month; under the proposed act his pay would be increased by 8.33 percent, or \$7.80 per month, so that hereafter he will be entitled to \$101.40 per month. Increases in that grade continue thereafter each 2 years until he reaches the point where an in-grade increase in pay is no longer justified. Under the pay scale proposed, this point would be attained upon the completion of 10 years of service, at which time his pay would remain at \$112.60 per month. An E-3 (private, first class, in the Army, corporal in the Marine Corps) now receives \$114.66 per month upon the completion of 4 years' service. Under the proposed

legislation an E-3 will receive a 15.65 percent increase in pay, or \$17.94 per month. His monthly pay would then be \$132.60 per month and would increase thereafter to a maximum of \$163.80 per month upon the completion of more than 14 years of service. It should be noted that the E-3 with over 4 years of service is considered to have attained a critical career point in his branch of the service and it is at this point that the E-3 receives the greatest percentage increase in basic pay.

The next enlisted grade of E-4 (corporal in the Army or sergeant in the Marine Corps) shows an increase of 8.04 percent or \$10.45 per month for the enlisted man with over 3 years' service, increasing to a 16.21-percent increase for the E-4 with over 4 years of service. This latter figure represents an increase of \$22.31 per month and is considered to be another critical point in the career pattern. An E-4 with over 4 years of service now receives \$137.59 per month and under the proposed legislation would be increased to \$159.90 per month. The large increase in pay between the E-4 with over 3 years of service and the E-4 with over 4 years of service is intended as an incentive at this point for enlisted personnel who have, in most cases, acquired considerable training to reenlist in the armed services so that full advantage can be taken of the training they have received. The grade of E-4 continues to show considerable pay increases ranging from a 15.46-percent increase with over 6 years of service to a 17.35-percent increase for over 8 years of service, to a 9.89-percent increase at over 18 years of service where the monthly pay of an E-4 would amount to \$218.40 per month. No increments in basic pay for the E-4 are provided after completing 18 years of service.

Basic pay in the E-5 grade (sergeant in the Army; staff sergeant in the Marine Corps) shows an increase after 2 years of service ranging from 7.14 percent with over 2 years of service to 14.19 percent with over 4 years of service, 13.64 percent with over 6 years of service, 15.35 percent with over 8 years of service and declining gradually thereafter to an 8.67-percent increase upon the completion of 22 years of service. An E-5 with over 6 years of service under the proposed legislation will receive an increase in pay of \$22.93 per month, or \$191.10 per month, as contrasted with his present pay of \$168.17 per month. The pay of an E-5 increases to a maximum of \$257.50 per month which is attained upon the completion of over 22 years of service. No increment increases are provided thereafter.

In the grade of E-6 (technical sergeant) the increases range from a 6.48 percent for over 2 years of service to 13.28 percent for over 10 years of service and diminishing thereafter to an 11.04 percent increase. An E-6 with over 8 years of service, for example, will receive a monthly increase of \$23.56, or \$220.30 per month as contrasted with his present pay of \$198.74. The pay of an E-6 increases by increments until it reaches \$288.60 per month upon the completion of 22 years of service. No increments in basic pay are thereafter provided.

In the grade of E-7 (master sergeants) increases range from a low of 7.32 percent to a high of 11.61 percent. The pay of a master sergeant with over 10 years of service is increased by 10.14 percent, or \$24.34 per month. Thus a master sergeant with over 10 years of service would receive \$261.30 per month as contrasted to \$236.96 that he now receives. The pay of a master sergeant would continue to increase until completing more than 26 years of service at which

time he would be entitled to \$335.40 per month, as contrasted with his present pay of \$305.76 per month.

In the warrant officer pay scales, starting with the lowest grade, or W-1, at over 2 years, the pay will amount to \$251.20 per month which represents a 14.48 percent increase, or \$31.78 per month more than the present pay of \$219.42 per month. By the time the W-1 has over 10 years of service, which is the average length of service for those entering this grade, the pay will have advanced to \$294.10 per month, an increase of 21.47 percent or \$51.99 over the present pay of \$242.11. It should be noted that this increase includes the differential of \$25 which was indicated in the earlier explanation of this table. Following the required promotion pattern of the Warrant Officer Act of 1953, the W-2 at over 14 years' service would receive monthly pay of \$350 which is an increase of 18.61 percent, or \$54.92 over the present pay of \$295.08. Still following the normal pattern at over 22 years of service, the W-3 would receive \$428 per month which is a 13.14 percent increase, or \$49.70 over his present pay of \$378.30. Still in the normal career pattern and going to the top grade of warrant officer, the pay of the W-4 with over 26 years of service will be \$514.80 per month, a 9.74 percent increase or \$45.71 over his present pay of \$469.09 per month.

Among the officers, the largest percentage increase is found in the grade of second lieutenants with over 3 years of service. At this point the pay of second lieutenants will increase by 25 percent, or \$59.28 per month. This will result in a monthly pay of \$296.40 per month compared with the present monthly pay of \$237.12.

First lieutenants with over 3 years of service will receive a 22.33 percent increase, or \$61.22 per month. The monthly pay under the proposed legislation will be \$335.40, compared with the present pay of \$274.18. Following the normal career pattern for officers, captains with over 6 years of service will receive a 14.04 percent increase or \$49.92 per month. This would represent a monthly pay of \$405.60, as contrasted with the present pay of \$355.68. Majors with over 8 years of service would receive a 9.02 percent increase, or \$37.44 per month, resulting in a monthly pay of \$452.40, contrasted with the present pay of \$414.96. Majors with over 10 years of service will receive a 12.52 percent increase or \$53.82 per month more, resulting in a monthly pay of \$483.60, in contrast to the \$429.78 now received.

Lieutenant colonels with over 16 years of service will receive a pay increase of 11.28 percent, or \$58.50 per month. This will result in a monthly pay of \$577.20 as contrasted with a present monthly pay of \$518.70.

Colonels with over 18 years of service will receive a 12.61 percent increase, or \$80.34 per month, resulting in a monthly pay of \$717.60 contrasted with the present pay of \$637.26 per month.

Brigadier Generals with over 22 years of service will receive a pay increase of 6.24 percent, or an increase of \$49.92 per month. This will result in a monthly pay of \$850.20 as contrasted with \$800.28 under present law. Brigadier Generals with over 26 years of service will receive an increase of 9.02 percent, or \$74.88 per month, resulting in a monthly pay of \$904.80, contrasted with a present monthly pay of \$829.92. Brigadier generals with over 30 years of service will receive a 12.52 percent increase, or \$107.64 per month. This will result in a monthly pay of \$967.20, compared with \$859.56 now received.

Major generals with less than 30 years of service will receive a 6.07 percent increase, or \$58.50 per month, resulting in a monthly pay of \$1,021.80, as contrasted with a present pay of \$963.30. Major generals with over 30 years of service will receive an increase of 8.41 percent, or \$83.46 per month, resulting in a monthly pay of \$1,076.40, compared with a present pay of \$992.94 monthly.

All officers serving above the grade of major general receive the same basic pay as a major general for the same length of service. The proposed legislation does not establish any separate pay scale for officers serving above the grade of major general.

#### INCENTIVE PAY FOR FLYING AND SUBMARINE DUTY

The proposed legislation also amends the Career Compensation Act of 1949 by substituting new flying duty and submarine duty pay tables.

The Career Compensation Act established definite rates for each grade of officer and enlisted man, based on recommendations of the Hook Commission on Service Pay. Following further recommendations of the Hook Commission, the services maintained a continuing study of the problem which culminated in the Strauss committee recommendations of 1953 to the effect that flying and submarine pay should bear a direct relationship to basic pay, premising such conclusion on the basis that each individual would weigh the value of his extra pay against his basic pay; that is a man who earns \$100 a month would undertake a risk for an additional \$50 a month, whereas a man earning \$400 a month might well refuse a similar risk for the same \$50.

Following the above principle and using selected years of service as career points in each grade a system of ratios was derived from the pay scales of the Career Compensation Act of 1949. The ratios thus derived were adjusted to provide higher percentages in the lower grades of officers and enlisted men, and to correct some apparent inequities, and were then used as multipliers to convert the proposed basic pay tables into the proposed flying duty and submarine duty tables, leveling off each figure to the nearest \$5.

The resulting table, at typical years of service in each grade, would indicate the following increases in such pay:

Grade	Years of service	Amount	Grade	Years of service	Amount
Major general	26	\$15.00	W-3	14	\$40.00
Brigadier general	22	10.00	W-2	14	35.00
Colonel	18	10.00	W-1	14	30.00
Do	18	35.00	E-7	12	30.00
Lieutenant colonel	14	45.00	E-6	8	22.50
Major	12	65.00	E-5	6	20.00
Captain	10	70.00	E-4	4	17.50
1st lieutenant	6	50.00	E-3	2	15.00
2d lieutenant	3	35.00	E-2	2	22.50
W-4	18	65.00	E-1	2	25.00

#### NEED FOR FLYING PAY

Flying pay essentially applies to the officer category as approximately 110,000 of those qualifying for such pay are officers, while only 43,000 warrant officers and enlisted men are so qualified. Considering

that the armed services will lose, by voluntary separation, 4,500 pilots in fiscal year 1956, principally in the first lieutenant, captain, and major grades, and with a minimal training cost of a jet pilot at over \$120,000, it is apparent that immediate and strong incentives must be offered to this group of personnel to continue their service.

As we become more jet propelled in aircraft the fatality rates rise and the present figures show 1 fatality in 5 accidents as against 1 fatality in 13 accidents in 1930. The noncombat fatality rates for 5 years show that over 9 pilots per thousand are killed. The fatality rates for jet aircraft are presently 16 per 100,000 flying hours as against 8 per 100,000 flying hours in propeller-driven aircraft. The military pilot fatality rate is four times that of civilian pilots of comparable experience.

Insurance rates for jet flyers have reflected the danger areas and fatality rates. On a survey made of 10 leading insurance companies it was revealed that for any age, with under 800 flying hours' experience, 4 companies would give no coverage. One would insure up to age 30 for an extra yearly premium of \$281 for \$10,000 insurance. The other companies would insure at rates varying from an extra \$180 to \$250 per year per \$10,000. After 800 flying hours, or about 3 years' flying experience, the rates generally drop to \$5.65 to \$11.10 per thousand per year. The insurance companies consider jet flying to be the most hazardous of the major occupations.

#### NEED FOR SUBMARINE PAY

Submarine service is, of necessity, purely voluntary. The large pool of experienced submariners from World War II has dissipated and there are presently too few volunteers of the caliber needed to maintain the required strength, and currently, for the first time, the quota for training remains unfilled.

The fatality rate in World War II among the submariners was about 237 per thousand as compared to a surface vessel rate of 38 per thousand, these rates reflecting the loss of some 52 submarines. Since World War II the submarine fatality rates are negligible and only very small increases in insurance rates are charged.

However, the cramped quarters, the poor air, the unknown danger level in atomic submarines, the developments that allow longer submersion periods and time away from port, all tend to decrease the appeal of this life. In addition, modern submarines operate well below escape level.

It is pertinent to note that the injury rate among submarine crews is 50 percent higher than those of all other forces afloat. This, in itself, is indicative of the results of living in extremely close quarters.

It is necessary that selection of submariners must reflect the highest standards as each crew member must fulfill an assigned function as well as be able to operate all equipment on board which affects the safety of the vessel.

Increase of incentives must operate to offset the lack of appeal in this service to increase the available pool for training and to continue the trained personnel in their service. The decrease in number of officer applicants for submarine school is shown in the following tabulation:

Date	Applicants	Officer vacancies	Ratio	Date	Applicants	Officer vacancies	Ratio
January 1948.....	300	60	5/1	July 1953.....	225	90	2.6/1
January 1950.....	225	60	4/1	January 1954.....	242	100	2.4/1
July 1951.....	194	77	3.5/1	July 1954.....	247	120	2/1
January 1952.....	207	90	2.3/1	January 1955.....	201	120	1.7/1
July 1952.....	235	90	2.6/1	July 1955.....	125	120	1.04/1
January 1953.....	207	90	2.3/1				

#### OTHER INCENTIVE PAY

The proposed legislation increases all other incentive pay by 10 percent so that officers will be entitled to \$110 per month, and enlisted personnel \$55 per month for duty involving frequent and regular participation in aerial flights not as a crew member; duty involving frequent and regular participation in glider flights; duty involving parachute jumping as an essential part of military duty; duty involving intimate contact with persons afflicted with leprosy; duty involving the demolition of explosives as a primary duty, including training for such duty; duty at a submarine escape training tank, when such duty involves participation in the training, and duty at the Navy Deep Sea Diving School or the Navy Experimental Diving Unit, when such duty involves participation in training. The following three new types of hazardous duty has been added in the proposed legislation: duty as low-pressure chamber inside observer, duty as human acceleration or deceleration experimental subject, and duty involving the use of helium-oxygen for a breathing mixture in the execution of deep-sea diving.

#### DERIVATION OF BASIC PAY TABLES

The basic pay proposal is intended to more nearly approach, at least in part, the competitive position of industry with the uniformed services. In addition, the proposed legislation is intended to raise the standards of pay to reflect a portion of the 13.1 percent cost-of-living increase since 1949. No increase in basic pay is proposed for those personnel who are serving in the required minimum compulsory period of military service.

The Hook Commission scale, originally recommended in 1949, was used as the starting point in the proposed basic pay structure, which has the effect of restoring reasonable differentials between grades of officers, warrant officers, and enlisted men.

The entire scale was then adjusted upward by 4 percent to reflect the action of the Congress in 1952, when basic pay was increased by that amount.

A new "years service" column at "over 3 years' service" was adopted in the officer pay scale and longevity increases for the 1st and 2d lieutenants were added to offer a monetary inducement for young officers completing obligated service to become career officers.

At selected service points in the normal career advancement pattern, extra in-grade increases were added to offer a monetary inducement for continued career service. The dollar increases in basic pay are highest through the normal advancement pattern. Outside of these areas the increases level off since individuals would not be showing optimum career progress.

A deviation from the above pattern is apparent in the warrant officers scale which shows a \$25 increase in differential between the highest enlisted grade and the lowest warrant grade to offset the present situation which often results in an actual financial loss for master sergeants who aspire to become warrant officers. Likewise, the warrant officer scale follows the career pattern established by the recently enacted Warrant Officer Act of 1953.

The design of the whole scale was predicated on the idea that certain changes were necessary in order to provide worthwhile long-range career goals and to retain the differential structure between pay grades so that a service career would offer an initial and continuing appeal to the young service member.

#### RETIRED PAY

The Career Compensation Act of 1949 prescribed new standards of retirement, particularly those for physical disability. All persons who had been previously retired were given the right to elect: (a) To continue having their retired pay computed at the former rates, or, (b) to qualify under the new standards and have their retired pay computed at the revised rates contained in the Career Compensation Act.

In 1952 the House approved a bill that would have provided a flat 10-percent basic pay increase for both the active and retired lists. This included those who had previously elected "saved pay" under retirement laws in effect prior to enactment of the Career Compensation Act. But the compromise bill that was finally enacted provided only a 4-percent increase in basic pay and a 14-percent increase in allowances. Since allowances are payable only to active duty personnel, those on the retired list have thus received only a 4-percent increase to date.

Under this bill, those now or hereafter retired who are entitled to have their pay based on the Career Compensation Act will have their retired pay computed according to the new rates. The committee did not agree, however, with the proposal by the Defense Department that those who had previously elected to receive "saved pay" under former laws be given another election to qualify for and come within the provisions of the Career Compensation Act. Instead, the proposed legislation provides a flat 6-percent increase over present rates for those whose retired pay is based on laws other than the Career Compensation Act. This will provide all retired personnel with an increase, which many of them would not otherwise have received.

Inasmuch as no increase in basic pay is proposed for officers with less than 3 years' service, or for warrant officers and enlisted personnel with less than 2 years' service, no increase in retired pay for any persons now or hereafter retired with less than 3 years of service, if an officer, or 2 years of service if an enlisted man, would have resulted. Obviously, the only such persons involved are those retired for physical disability. While their number is not large, many of them are combat casualties. Under the proposed legislation, therefore, any such officer, warrant officer, or enlisted person would receive a 6-percent increase in retired pay.



#### DISLOCATION ALLOWANCE

Both officer and enlisted personnel who are heads of families are being subjected to heavy and unjustifiable personal expense in connection with moving their households on a permanent change of station. Under present law they are entitled either to the equivalent of railroad tickets for the dependents, or to a later reimbursement on a straight mileage basis.

In either case, the allowance is entirely inadequate to meet the unavoidable expenses in connection with uprooting, transporting, and reestablishing a normal household. Recent surveys reveal that these nonreimbursable expenses to sergeants in the E-6 grade, for example, are averaging as high as \$200 and in the E-7 grade, \$230. In the case of an officer in captain's grade, \$260, and in the colonel's grade, \$427. Testimony by enlisted personnel who appeared before the committee revealed that in many instances these costs were even higher than those average figures.

In a great many cases, these moving expenses have resulted in severe monetary hardship to service families. At the present time there is no means for even partial reimbursement for such extra costs as lease forfeitures, temporary living charges in hotels and boarding-houses pending establishment of a normal household, breakage and depreciation of household goods in transit, to name but a few.

While recognizing that a certain amount of normal duty rotation is necessary within our military forces, the Committee on Armed Services has been deeply concerned over the excessive number and frequency of transfers and moves to which service personnel are being subjected. The services have quite frankly admitted that there have been mistakes on their part that have resulted in some unnecessary transfers, and that stringent measures are being taken to prevent their repetition.

It is also recognized that the greatest single cause of this excessive personnel movement has been the enormous amount of personnel turnover during the 2 fiscal years of 1954 and 1955. During this period, over 2 million officers and enlisted personnel will have completed their obligated service and elected to return to civilian life. Not only have they had to be replaced by new entrants, but in most cases it has been necessary to move other qualified men into the key jobs they have vacated by their separation. It is of course the primary purpose of the proposed legislation to reduce this turnover with its resulting waste and instability.

Thus the proposed legislation provides for a reasonable means of partially reimbursing a serviceman for expenses in connection with moving his family and household to a new duty station. It would simply authorize him to be paid an extra month's quarters allowance if his dependents actually move in connection with official orders directing a permanent change of station. This payment should be made so as to be available at the time the member executes his change of station.

The committee considers it imperative that each of the services continue taking vigorous measures to eliminate all unnecessary and excessive transfer of personnel. The proposed legislation prescribes certain limitations on the payment of this new, but urgently needed, dislocation allowance. With certain necessary exceptions, it should

have the effect of preventing personnel with dependents from being ordered to new permanent stations more frequently than once a year.

#### CADET AND MIDSHIPMAN PAY

The proposed legislation would provide a much needed increase in the pay of cadets at the United States Military Academy, midshipmen at the United States Naval Academy, cadets at the United States Air Force Academy, and cadets at the United States Coast Guard Academy. It is proposed that such pay be fixed at 50 percent of the basic pay of a second lieutenant with under 2 cumulative years of service. This would raise the present pay of \$81.12 per month to \$111.15 per month, a gross increase of \$30.03 per month. Under present pay and conditions estimated required expenditures at the Academies, which include uniforms, books, personal services, income tax withheld, stationery, toilet articles, etc., leave a 4-year deficit of \$302.68. The proposed increase would leave each cadet and midshipman an average sum of \$845.53 at the end of 4 years with which to purchase service uniforms and equipment, pay travel expenses and living expenses until receipt of their first active-duty pay. A review of past legislation indicates that it has been the intent of Congress to provide cadets and midshipmen with sufficient pay to accomplish the ends sought in the proposed legislation.

#### DOUBLE-TIME CREDIT FOR FOREIGN DUTY

Under the proposed legislation, section 202 (d) of the Career Compensation Act will be amended so as to provide for a small group of officers who served beyond the continental limits of the United States between 1898 to 1912, who were authorized to compute their retired pay on a double-time basis which they earned as enlisted men. These men served as officers in World War I and are now entitled to retired pay in the highest grade served. The Career Compensation Act of 1949 permitted the double time thus earned to be computed in determining retired enlisted pay, but the Comptroller General ruled that such double-time credit could not be used in computing retired pay as an officer. Accordingly, the amendment provides that those persons affected will be permitted hereafter to count such service in the computation of their retired pay, as officers.

#### INCREASE IN PER DIEM

The proposed legislation would amend section 303 (a) of the Career Compensation Act so as to increase the present per diem allowance from \$9 to \$12. Per diem allowances are authorized for military personnel when traveling on official business away from their regular post of duty to cover the cost of food and lodging and certain incidental expenses.

Similar authorizations exist for civilian personnel of the Government.

Prior to 1949 the authorized per diem rate was \$7 for military personnel and \$6 for civilians. It was increased in 1949 for both military and civilian personnel to \$9 to reflect the increased cost of hotel and food accommodations.

Since 1949 these costs have continued to rise. Each of the various surveys conducted have indicated that a reasonable estimate of daily costs have been in excess of \$12 for some time.

Last year the Congress approved passage of S. 3200 that included raising the per diem allowance for civilian employees to \$12. While that bill was vetoed for other reasons a similar measure will undoubtedly be considered by this Congress which would increase to \$12 the per diem rate for civilian employees.

The proposed legislation would thus entitle military personnel to a \$12 per diem rate. It will alleviate the conditions existing today where military personnel are required to use their own personal funds in order to meet these official travel costs.

#### FLYING CADET PAY

The proposed legislation recommends that the basic pay of flying cadets be set at 50 percent of the basic pay of a second lieutenant with less than 2 cumulative years of service. This results in a change of pay from \$109.20 per month to \$111.15 per month. However, in addition, it is proposed that this group receive 50 percent of the incentive pay for the performance of hazardous duty now paid to a second lieutenant with less than 2 cumulative years of service, or \$50 per month. It is contemplated that the regulations issued pursuant to this proposed legislation will restrict the receipt of such pay to periods when the cadet is actually engaged in flying. This proposal is a change from the Career Compensation Act which precluded the payment of such incentive pay. The original Hook proposals in this area based the pay of a flying cadet on the pay of a recruit and it is here proposed that the basis be that of the officer grade which they are to enter after qualifying in flying. Under the Career Compensation Act most grades of enlisted personnel who enter flying training receive more pay during training than do the cadets. The overall result has been that the flying-cadet programs of all the services have suffered, so much, in fact, that the Air Force in 1952 was forced to reduce its educational standards to below college level in order to fill the quotas. The Navy, in maintaining the standards required of its flying cadets, has not been able to fill its quotas. The area of selectivity has decreased, and this again results in the lowering of standards. Since 1953 the naval aviation cadet program has shown a steady decline in popularity, dropping from a procurement rate of 94.4 percent in December of 1953 to 36.8 percent in January of 1955.

From the above information, it is evident that further incentives are needed to attract young civilians into this program to maintain the standards required for these embryo officers and to supply a constant source of young pilots in all aviation programs.

#### SUMMARY

In summary, the proposed legislation provides increases in pay for all enlisted personnel with over 2 years of service, for all warrant officers with over 2 years of service, and for all officers with over 3 years of service, in an amount not less than 6 percent of basic pay.

The largest percentage increase for officers is in the grades of first lieutenant and second lieutenant - 22.33 percent and 25 percent

respectively with over 3 years' service. The smallest percentage increase for officers is in the grade of major general with less than 26 years of service with an increase of 6.07 percent. The largest dollar increase for officers in the basic pay tables is for the brigadier general who completes more than 30 years of service where the increase amounts to \$107.64 per month. On the other hand, first lieutenants with over 3 years of service will receive a \$61.22 per month increase, while captains with over 6 years of service will receive a \$49.92 increase per month.

In the enlisted grades, the largest percentage increase is for the E-4 (corporal in the Army, sergeant in the Marine Corps) with over 8 years of service who receives a 17.35-percent increase amounting to \$26.52 per month. The largest dollar increase for enlisted personnel is in the grade of master sergeant with over 26 years of service who receives an increase of \$29.64 per month.

The pay scale is based upon a formula, taking into consideration the recommendations of the Hook Commission, the 4-percent increase in pay enacted by Congress in 1952, and increased increments in pay periods following a normal career pattern. Under present law, an increment increase in pay is the increase authorized within the same grade for additional years of service. In the enlisted grades, these increments increase every 2 years, until reaching a maximum career point, or until 18 years of service. Thereafter, increments are doubled but only upon the completion of 4 years of service. The officer pay scale is constructed along similar lines. In the case of enlisted personnel, the increment amounts to \$7.80 per month; in the case of officers the increase amounts to approximately \$15 per month. The proposed pay scales are constructed along similar lines, but in some cases increments have been increased. For example, there are double increments in pay for the E-3 who remains in service over 3 years and completes more than 4 years of service. There is likewise a double increment in pay for the E-4 who moves from over 3 years of service to over 4 years of service. There is a double increment for the E-5 who moves from over 3 years to over 4 years of service. There is a 1½ pay increment for the E-6 who moves from over 8 to over 10 years of service and a double increment in pay for the master sergeant who moves from over 16 to over 18 years of service. On the other hand, the E-6 who moves from over 4 to over 6 years of service receives 2½ increments at this critical point in the career pattern.

Among the officers, second lieutenants with over 3 years of service receive a double increment in pay and first lieutenants with over 3 years of service likewise receive a double increment in pay.

Captains with over 4 years of service get a double increment in pay as do captains with over 6 years of service; majors with over 8 years of service receive a double increment in pay, as do majors with over 10 years of service.

Lieutenant colonels receive a double increment in pay with over 12 years of service, and likewise with over 14 years of service. Colonels with over 16 years of service receive a double increment in pay, as do colonels with over 18 years of service. Brigadier generals with over 26 years of service receive a double increment in pay, as do brigadier generals with over 30 years of service. Major generals with over 30 years of service receive a double increment in pay.

The pay increase for senior officers is obviously not necessary in order to keep these officers on active duty. They have already acquired a considerable equity in retirement and obviously, except in rare cases, could not surrender this equity. But the Committee on Armed Services has been impressed with the arguments presented from many sources that young officers on active duty today are refusing to enter the armed services as a career because of the lack of incentive now present in the pay scales for senior officers.

The Department of Defense originally recommended a further increase in pay for major generals upon the completion of more than 35 years of service. The committee rejected this proposal.

The proposed legislation provides substantial increases in incentive pay for those engaged in flying and submarine duty.

The increases amount to \$15 monthly for major generals and \$10 for brigadier generals, \$10 per month for colonels with over 16 years of service, and \$35 for colonels with over 18 years of service; \$45 a month for lieutenant colonels with over 14 years of service, \$65 a month for majors with over 12 years of service, \$60 a month for captains with over 6 years of service, \$40 a month for first lieutenants with over 3 years of service, and \$35 a month for second lieutenants with over 3 years of service.

In the enlisted grades, flying and submarine pay is increased by \$30 per month for master sergeants, \$32.50 for technical sergeants, \$30 for staff sergeants, \$27.50 for sergeants, \$15 for corporals, \$22.50 for private, first class, and \$25 a month for privates. The increases have been related to basic pay and are constructed on years of service and grade. Again, the increases are more substantial in the critical career areas.

The proposed legislation, in addition to increasing flight pay and submarine pay, also increases all other incentive pays by 10 percent.

Retired personnel drawing retirement pay under the Career Compensation Act will be entitled to have their retired pay computed on the pay scales of the Career Compensation Act as amended by the proposed legislation. In view of the fact that certain officers, warrant officers, and enlisted personnel have retired for disability before completing 3 years of service as an officer, or 2 years of service as a warrant officer or enlisted man and would not otherwise receive an increase under the proposed legislation, a specific provision provides that these individuals will be entitled to retirement pay based upon the basic pay to which they are now entitled, plus a 6-percent increase.

Retired personnel entitled to retirement pay under laws other than the Career Compensation Act receive a flat 6-percent increase in their present retired pay.

The proposed legislation provides for a dislocation allowance for members of the armed services who are entitled to move with their dependents at Government expense. In view of the fact that the present reimbursement system is completely inadequate for members of the armed services who move with dependents, the committee has adopted a recommendation of the Department of Defense that such members be entitled to a dislocation allowance in the amount of 1 month's quarters allowance if they undergo a permanent change of station. However, this allowance will only be payable for one permanent change of station in each fiscal year except for individuals who are assigned to service schools. If an additional permanent

change of station is required during any fiscal year other than to a service school, the allowance may not be paid except upon a finding of the Secretary concerned that the "exigencies of the service require more than one such change of station during any fiscal year." The limitation with regard to only one payment during any fiscal year will not be applicable in time of war or national emergency hereafter declared since during these periods it can be expected that there will be large numbers of permanent changes of station depending upon the particular type of military operation involved.

The proposed legislation also increases per diem from \$9 to \$12 in the case of those individuals who are entitled to such per diem allowances upon being away from a permanent duty station. This action is taken in anticipation of a similar proposal which may be considered by the Congress during this session for civilian employees of the Federal Government.

There is likewise a substantial increase in the proposed legislation for aviation cadets. Under present law, aviation cadets are prohibited from receiving flight pay and are limited to a monthly pay of \$109.20. The committee adopted the recommendation of the Department of Defense that aviation cadets be entitled to 50 percent of the pay of a second lieutenant with under 2 years of service (\$111.15 per month) and flight pay of \$50 per month, when actually engaged in flying duty. The pay of aviation cadets engaged in flying would thus be increased to \$161.15 per month.

The proposed legislation also increases the pay of midshipmen at the Naval Academy, cadets at the Military Academy, Air Force Academy, and Coast Guard Academy. Under present law, these individuals receive \$81.12 per month. Under the proposed legislation their pay will be increased to \$111.15 per month.

The proposed legislation would involve an annual expenditure for members of the armed services for fiscal 1956 of \$734,045,571. In addition, the increase with respect to the Coast Guard, the Coast and Geodetic Survey, and the Public Health Service for fiscal 1956 will be \$11,797,444. Thus the total cost of the bill for fiscal 1956 will be \$745,845,015.

*Estimated cost in fiscal year 1956 of proposed Career Incentive Act of 1955*

	Army				Navy				Marine Corps			
	Cost at present rates		Proposed increase		Cost at present rates		Proposed increase		Cost at present rates		Proposed increase	
			Amount	Percent			Amount	Percent			Amount	Percent
Sec. 2 (1) and (3), basic pay	\$1,725,345,008	\$203,456,739	11.8		\$1,366,633,578	\$193,845,239	12.7		\$298,013,343	\$35,663,280	12.0	
Sec. 2 (4) through (10), incentive pay	(31,781,200)	(5,100,515)	(16.0)		(60,532,755)	(23,083,061)	(38.1)		(10,475,300)	(3,546,580)	(33.9)	
Flying pay	6,344,200	2,566,815	40.3		45,678,729	19,457,780	42.6		9,144,220	3,376,560	36.9	
Submarine pay					7,845,316	2,757,590	35.1		18,180	8,720	48.0	
Other	25,437,900	2,543,700	10.0		7,007,720	877,691	12.5		1,312,900	161,300	12.3	
Sec. 2 (11), per diem	18,441,800	5,551,033	30.1		9,000,000	1,500,000	16.7		1,074,000	174,000	16.2	
Sec. 2 (12), dislocation allowance		15,600,000				5,483,700				1,815,000		
Sec. 2 (13), pay, cadets and midshipmen	2,336,256	\$65,000	37.0		3,592,967	1,330,000	37.0					
Total	1,777,904,264	230,573,287	13.0		1,439,759,310	201,252,000	14.0		309,562,643	41,198,860	13.3	

	Air Force				Total			
	Cost at present rates		Proposed increase		Cost at present rates		Proposed increase	
			Amount	Percent			Amount	Percent
Sec. 2 (1) and (3), basic pay	\$1,678,601,245	\$180,824,207	11.1		\$5,068,593,174	\$595,789,405	11.8	
Sec. 2 (4) through (10), incentive pay	(145,308,794)	(37,732,660)	(39.7)		(248,138,059)	(89,472,816)	(36.1)	
Flying pay	141,867,794	57,102,300	40.3		203,005,943	82,483,455	40.6	
Submarine pay					2,766,310	2,766,310	35.2	
Other	3,531,000	630,360	17.9		7,863,496	4,213,051	11.3	
Sec. 2 (11), per diem	36,380,000	1,434,257	4.0		64,895,800	8,679,200	13.4	
Sec. 2 (12), dislocation allowance		14,915,000				37,813,700		
Sec. 2 (13), pay, cadets and midshipmen	203,000	97,300	37.0		6,192,223	2,292,300	37.0	
Total	1,860,613,039	261,023,424	14.0		5,387,839,256	734,047,571	13.6	
Coast Guard						10,296,000		
Cost and Geodetic Survey						1,148,820		
Public Health Service						1,362,615		
Total						11,797,444		
Total for all of the uniformed services						745,845,015		

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CAREER INCENTIVE ACT OF 1955

ESTIMATED COST OF PROPOSED CAREER INCENTIVE ACT FOR LAST 3 MONTHS  
OF FISCAL YEAR 1955

Service:	Amount
Army.....	\$61,870,000
Navy.....	52,024,000
Marine Corps.....	10,703,000
Air Force.....	57,926,000
Total.....	182,523,000
Coast Guard, Coast and Geodetic Survey, and Public Health Service.....	3,000,000
Total.....	185,523,000

WITNESSES

The Committee on Armed Services received testimony in support of the proposed legislation from the following persons:

Hon. Charles E. Wilson, Secretary of Defense  
 Adm. Arthur W. Radford, Chairman, Joint Chiefs of Staff  
 Mr. Charles Hook, former Chairman of the Hook Commission  
 and at present, president of Aramco Steel Co.  
 Mr. Jack Hoen, formerly with the Hook Commission  
 Hon. Charles Thomas, Secretary of the Navy  
 Adm. Robert Carney, Chief of Naval Operations  
 Gen. Lemuel Shepherd, Commandant of the Marine Corps  
 Hon. Hugh M. Milton II, Assistant Secretary of the Army  
 Gen. C. L. Bolte, Vice Chief of Staff, Army  
 Hon. Harold E. Talbott, Secretary of the Air Force  
 Gen. Thomas D. White, Vice Chief of Staff, Air Force  
 Hon. Carter Burgess, Assistant Secretary of Defense for Man-  
 power  
 Vice Adm. J. L. Holloway, Chief of Naval Personnel  
 Maj. Gen. Morris J. Lee, Director of Personnel Planning, Depart-  
 ment of the Air Force  
 Maj. Gen. R. N. Young, Assistant Chief of Staff G-1  
 Brig. Gen. Nels Nelson, G-1, United States Marine Corps  
 Rear Adm. W. W. Kenner, Chief, Office of Personnel, United  
 States Coast Guard  
 Mr. Robert Johnston, United States Public Health Service  
 Capt. I. E. Rittenberg, United States Coast and Geodetic Survey  
 Capt. David J. Martineau, USN, Department of the Navy  
 Comdr. F. B. Voris, Bureau of Medicine and Surgery, Depart-  
 ment of the Navy  
 Comdr. M. des Granges, Experimental Diving Unit and Deep  
 Sea Diving School, Department of the Navy  
 Col. Frank P. Corbin, Jr., United States Air Force  
 Rear Adm. Elton W. Grenfell, United States Navy  
 Capt. Franz Willenbucher, executive vice president, Retired  
 Officers Association  
 Mr. M. S. Stevenson, national commander, Disabled Officers  
 Association  
 Mr. Justin Chambers, Reserve Officers Association  
 Mr. Charles Lofgren, Fleet Reserve Association  
 Mr. Bernard Weitzer, Jewish War Veterans  
 Capt. Thomas J. Jackson, USN (behalf of J. H. Hoeppel,  
 Arcadia, Calif.)  
 Mr. Clarence N. Sayen, president, Air Line Pilots Association  
 M. Sgt. William O. Wooldridge, first sergeant, Infantry Company,  
 Fort McNair, Washington, D. C.



CAREER INCENTIVE ACT OF 1955

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Mrs. Lydia A. Bell, wife of Sfc. Lewis S. Bell, Fort McNair, Washington, D. C.  
 FT1 Gilbert F. Thompson, USN, Naval Receiving Station, Philadelphia, Pa.  
 Mrs. Joyce Arlene Brockman, wife of Edward B. Brockman, PN1, USN, on duty in Washington, D. C.  
 M. Sgt. Ben M. Bullard, USAF, Andrews Air Force Base, Washington, D. C.  
 Mrs. Faith Roberta Stoughton, wife of M. Sgt. Cecil W. Stoughton, USAF, on duty at Pentagon, Washington, D. C.  
 M. Sgt. Stanley G. Jacquot, USMC, Washington, D. C.  
 Lt. Col. Alexander Sulloway, Chief, Airmen's Division, Langley Air Force Base, Va.

SECTIONAL ANALYSIS

Section 1 is the short title of the bill.

Section 2 amends the Career Compensation Act of 1949 (37 U. S. C. 231 et seq.) in the following respects:

(1) In clause (1), section 201 (a) is amended by striking out the present pay tables contained therein and inserting a new table providing increased pay for commissioned officers with more than 3 cumulative years of service and warrant officers and enlisted members with more than 2 cumulative years of service.

(2) In clauses (2) and (3), section 201 (c), which was repealed by section 20 (n) of the Warrant Officer Act of 1954 (68 Stat. 167), is replaced by the present subsection 201 (d) which is redesignated as (c), and the present subsection 201 (e) is redesignated as (d). A new subsection is added dealing with the pay of aviation cadets in order to bring provisions dealing with their pay together in section 201 with the pay of other members of the uniformed services. The pay of aviation cadets is raised from \$109.20 per month (including flight pay) to the rate of 50 percent of the basic pay of a commissioned officer in pay grade O-1 with less than 2 cumulative years of service which amounts to \$161.15 (including flight pay). The pay of aviation cadets was formerly covered by section 4 of the Army Aviation Cadet Act and section 4 of the Naval Aviation Cadet Act of 1942.

(3) In clause (4), three new clauses numbered (10), (11), and (12) are added to section 204 (a) to provide hazardous duty incentive pay for duty as a low-pressure chamber inside observer, duty as a human acceleration or deceleration subject, and duty involving the use of helium-oxygen for a breathing mixture in the execution of deep-sea diving, respectively.

(4) In clause (5), section 204 (b) is amended to provide a new table of hazardous duty incentive pay authorized under subsection (a) (1) and (2). The new rates increase the amounts of incentive pay for hazardous duty on a selective basis to provide more adequate incentives to continue a career in hazardous duties. This method permits payments of incentive pay for hazardous duty more nearly commensurate with experience and responsibility.

(5) In clause (6), section 204 (c) is amended to increase the rate of hazardous-duty incentive pay prescribed therein to \$110 and \$55, respectively.

(6) In clause (7), section 204 (c), prohibiting the payment of incentive pay to aviation cadets, is repealed, and subsection (f) is redesignated as subsection (e).

(7) In clause (8), section 205 (a) is amended to increase the monthly minimum and maximum rates of special pay—diving duty prescribed in that subsection to \$5.50 and \$33, respectively.

(8) In clause (9), section 205 (b) is amended to increase the hourly special pay—diving duty thereunder to \$5.50 per hour.

(9) In clause (10), section 205 (c) is amended to provide that the receipt of incentive pay under section 204 will not prevent the member from being entitled to \$5.50 for each hour or fraction thereof, in addition to basic pay, as authorized by section 205 (b).

(10) In clause (11), the last sentence of section 303 (a) is amended to increase the per diem allowance from \$9 per day to \$12 per day.

(11) In clause (12), a new sentence is inserted after the first sentence of section 303 (c) to provide a dislocation allowance, under such regulations as may be approved by the Secretary concerned, in an amount equal to 1 month's basic allowance for quarters for the member concerned, whenever a member makes a permanent change of station under orders and his dependents make a move in connection with that change of station. The allowance may not be paid more than once each fiscal year with exceptions as stated. Home to first duty station and last duty station to home are excluded as permanent change of station for this allowance.

(12) In clause (13) the pay of cadets at the United States Military Academy, midshipmen at the United States Naval Academy, cadets at the United States Air Force Academy, and cadets at the Coast Guard Academy is tied in with the pay of other members of the uniformed services. The pay is raised from \$81.12 per month to the rate of 50 percent of the basic pay of a commissioned officer of grade O-1 with less than two cumulative years of service which amounts to \$111.15 per month.

(13) In clause (14) a certain group of officers who served as enlisted men beyond the continental limits of the United States between 1898 and 1912 are hereafter entitled to count such time as double time in the computation of their retired pay.

Sections 3 and 4 amend the Naval Aviation Cadet Act of 1942 and the Army Aviation Cadet Act, respectively, to delete the present language dealing with the pay of aviation cadets, which will hereafter be covered by section 201 of the Career Compensation Act of 1949. Aviation cadets are considered to be enlisted members and therefore are entitled to the same travel and other necessary expenses as other enlisted members.

Section 5 carries the proposed pay scale to those heretofore or hereafter retired under the provisions of the Career Compensation Act of 1949 for the computation of their retired pay and increases by 6 percent the retired pay of those retired for physical disability under that act and not given an increase by the substituted pay scale.

Section 6 provides a 6-percent raise in the pay of those retired under laws in effect prior to October 1, 1949.

Section 7 prescribes the effective date of this act.

Section 8 is a savings clause to protect active or retired personnel from suffering a decrease in basic or retired pay as a result of enactment of this legislation.

MILITARY CAREER INCENTIVE ACT OF 1955—ARMED FORCES COMPARATIVE RANKS

*Commissioned officers*

	ARMY	AIR FORCE	MARINE CORPS	NAVY
O-8	General of the Army	General of the Air Force		Fleet admiral
O-8	General	General	General	Admiral
O-8	Lieutenant general	Lieutenant general	Lieutenant general	Vice admiral
O-8	Major general	Major general	Major general	Rear admiral (upper half)
O-7	Brigadier general	Brigadier general	Brigadier general	Rear admiral (lower half)
O-6	Colonel	Colonel	Colonel	Commodore
O-5	Lieutenant colonel	Lieutenant colonel	Lieutenant colonel	Captain
O-4	Major	Major	Major	Commander
O-3	Captain	Captain	Captain	Lieutenant commander
O-2	First lieutenant	First lieutenant	First lieutenant	Lieutenant
O-1	Second lieutenant	Second lieutenant	Second lieutenant	Lieutenant (junior grade)
				Ensign

*Warrant officers*

	ARMY	AIR FORCE	MARINE CORPS AND NAVY
W-4	Chief warrant	Chief warrant	Commissioned warrant over 20 years' service
W-3	Chief warrant	Chief warrant	<del>Commissioned warrant over 10 years' service</del>
W-2	Chief warrant	Chief warrant	Commissioned warrant less than 10 years' service
W-1	Warrant officer, junior grade	Warrant officer, junior grade	Warrant officer

*Enlisted personnel*

	ARMY	AIR FORCE	MARINE CORPS	NAVY
E-7	Master sergeant	Master sergeant	Master sergeant	Chief petty officer
E-6	Sergeant, first class	Technical sergeant	Technical sergeant	Petty officer, first class
E-5	Sergeant	Staff sergeant	Staff sergeant	Petty officer, second class
E-4	Corporal	Airman, first class	Sergeant	Petty officer, third class
E-3	Private, first class	Airman, second class	Corporal	Seaman
E-2	Private	Airman, third class	Private, first class	Seaman apprentice
E-1	Private	Airman, basic	Private	Seaman, recruit

COMPARISON BETWEEN PRESENT BASIC PAY SCALES, AND THOSE PROPOSED BY DEPARTMENT OF DEFENSE OFFICERS

Pay Grade	Years of Service															
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30	Over 35	
M/G New Pres	\$963.30	\$963.30	\$1014.00	\$1014.00	\$1014.00	\$1014.00	\$1014.00	\$1014.00	\$1014.00	\$1014.00	\$1014.00	\$1014.00	\$1014.00	\$1076.40	\$1138.80	
\$ Inc	\$963.30	0	\$50.70	\$50.70	\$50.70	\$50.70	\$50.70	\$50.70	\$50.70	\$50.70	\$50.70	\$50.70	\$50.70	\$82.94	\$992.94	
% Inc	0	0	5.26	5.26	5.26	5.26	5.26	5.26	5.26	5.26	5.26	5.26	5.26	8.41	14.69	
B/G New Pres	\$800.28	\$800.28	\$842.40	\$842.40	\$842.40	\$842.40	\$842.40	\$842.40	\$842.40	\$842.40	\$842.40	\$842.40	\$842.40	\$859.56	\$859.56	
\$ Inc	\$800.28	0	\$42.12	\$42.12	\$42.12	\$42.12	\$42.12	\$42.12	\$42.12	\$42.12	\$42.12	\$42.12	\$42.12	\$74.88	\$107.64	
% Inc	0	0	5.26	5.26	5.26	5.26	5.26	5.26	5.26	5.26	5.26	5.26	5.26	9.02	12.52	
Cod New Pres	\$592.80	\$592.80	\$624.00	\$624.00	\$624.00	\$624.00	\$624.00	\$624.00	\$624.00	\$655.20	\$655.20	\$717.60	\$717.60	\$780.00	\$811.20	
\$ Inc	\$592.80	0	\$31.20	\$31.20	\$31.20	\$31.20	\$31.20	\$31.20	\$31.20	\$47.58	\$47.58	\$66.90	\$66.90	\$96.54	\$786.18	
% Inc	0	0	5.26	5.26	5.26	5.26	5.26	5.26	5.26	7.83	12.61	12.28	11.98	11.71	11.71	
L/C New Pres	\$474.24	\$474.24	\$499.20	\$499.20	\$499.20	\$499.20	\$499.20	\$499.20	\$499.20	\$577.20	\$577.20	\$639.60	\$639.60	\$670.80	\$670.80	
\$ Inc	\$474.24	0	\$24.96	\$24.96	\$24.96	\$24.96	\$24.96	\$24.96	\$24.96	\$58.50	\$58.50	\$77.94	\$77.94	\$97.62	\$607.62	
% Inc	0	0	5.26	5.26	5.26	5.26	5.26	5.26	5.26	11.46	10.95	10.66	10.40	10.40	10.40	
Maj New Pres	\$400.14	\$400.14	\$421.20	\$421.20	\$421.20	\$421.20	\$421.20	\$421.20	\$421.20	\$459.42	\$459.42	\$518.70	\$518.70	\$533.52	\$533.52	
\$ Inc	\$400.14	0	\$21.06	\$21.06	\$21.06	\$21.06	\$21.06	\$21.06	\$21.06	\$56.16	\$56.16	\$77.72	\$77.72	\$85.50	\$96.28	
% Inc	0	0	5.26	5.26	5.26	5.26	5.26	5.26	5.26	11.84	11.46	11.28	11.11	11.11	11.11	
Capt New Pres	\$328.04	\$328.04	\$343.20	\$343.20	\$343.20	\$343.20	\$343.20	\$343.20	\$343.20	\$380.40	\$380.40	\$439.20	\$439.20	\$454.80	\$454.80	
\$ Inc	\$328.04	0	\$17.16	\$17.16	\$17.16	\$17.16	\$17.16	\$17.16	\$17.16	\$53.82	\$53.82	\$64.60	\$64.60	\$68.36	\$68.36	
% Inc	0	0	5.26	5.26	5.26	5.26	5.26	5.26	5.26	12.78	12.52	12.05	12.05	12.05	12.05	
1/Lt New Pres	\$259.36	\$259.36	\$274.18	\$274.18	\$274.18	\$274.18	\$274.18	\$274.18	\$274.18	\$283.10	\$283.10	\$313.40	\$313.40	\$343.10	\$343.10	
\$ Inc	\$259.36	0	\$14.82	\$14.82	\$14.82	\$14.82	\$14.82	\$14.82	\$14.82	\$50.30	\$50.30	\$50.30	\$50.30	\$50.30	\$50.30	
% Inc	0	0	5.26	5.26	5.26	5.26	5.26	5.26	5.26	13.85	13.85	13.85	13.85	13.85	13.85	
2/Lt New Pres	\$222.30	\$222.30	\$237.12	\$237.12	\$237.12	\$237.12	\$237.12	\$237.12	\$237.12	\$246.04	\$246.04	\$274.40	\$274.40	\$283.40	\$283.40	
\$ Inc	\$222.30	0	\$14.82	\$14.82	\$14.82	\$14.82	\$14.82	\$14.82	\$14.82	\$48.36	\$48.36	\$48.36	\$48.36	\$48.36	\$48.36	
% Inc	0	0	5.26	5.26	5.26	5.26	5.26	5.26	5.26	14.83	14.83	14.83	14.83	14.83	14.83	

WARRANT OFFICERS

Pay Grade	Under 2	Years of Service												Over 26	Over 30
		Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 22			
W-4 New	\$332.90	343.20	343.20	343.20	358.80	374.40	390.00	421.20	452.40	468.00	483.60	499.20	514.80	530.40	
	\$332.90	332.90	332.90	332.90	348.04	363.17	378.30	393.43	408.56	423.70	438.83	453.96	469.09	484.22	
	\$ Inc	0	10.30	10.30	10.76	11.23	11.70	27.77	43.84	44.30	44.77	45.24	45.71	46.18	
	% Inc	0	3.09	3.09	3.09	3.09	3.09	7.06	10.73	10.46	10.20	9.97	9.74	9.54	
W-3 New	\$302.64	312.00	312.00	312.00	319.80	327.60	343.20	358.80	366.60	374.40	390.00	405.60	421.20	436.80	
	\$302.64	302.64	302.64	302.64	310.21	317.77	325.34	332.90	340.48	348.04	363.17	378.30	393.43	408.56	
	\$ Inc	0	9.36	9.36	9.59	9.83	17.86	25.90	26.12	26.36	26.83	27.30	27.77	28.24	
	% Inc	0	3.09	3.09	3.09	3.09	3.09	5.49	7.78	7.67	7.57	7.39	7.22	7.06	
W-2 New	\$264.82	273.00	273.00	273.00	288.60	304.20	312.00	319.80	327.60	335.40	351.00	366.60	382.20	397.80	
	\$264.82	264.82	264.82	264.82	264.82	272.38	279.95	287.51	295.08	302.64	317.77	332.90	348.04	363.17	
	\$ Inc	0	8.18	8.18	23.78	31.82	32.05	32.29	32.52	32.76	33.23	33.70	34.16	34.63	
	% Inc	0	3.09	3.09	8.98	11.68	11.45	11.23	11.02	10.82	10.46	10.12	9.81	9.54	
W-1 New	\$219.42	251.20	251.20	251.20	266.80	286.30	294.10	305.80	313.60	321.40	337.00	352.60	368.20	383.80	
	\$219.42	219.42	219.42	219.42	226.98	234.55	242.11	249.68	257.24	264.82	279.95	295.08	310.21	310.21	
	\$ Inc	0	31.78	31.78	31.78	39.82	51.75	51.99	56.12	56.36	56.58	57.05	57.82	57.99	
	% Inc	0	14.48	14.48	14.48	17.54	22.06	21.47	22.48	21.91	21.37	20.38	19.49	18.69	



## CAREER INCENTIVE ACT OF 1955

25

Comparison of present basic pay with original DOD proposal and committee bill

TABLE 1

Pay grade	Years of service													
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
0-1														
Original DOD proposal	\$651.30	\$663.30	\$675.30	\$687.30	\$701.40	\$715.50	\$729.60	\$743.70	\$757.80	\$771.90	\$786.00	\$800.10	\$814.20	\$828.30
Committee bill	\$651.30	\$663.30	\$675.30	\$687.30	\$701.40	\$715.50	\$729.60	\$743.70	\$757.80	\$771.90	\$786.00	\$800.10	\$814.20	\$828.30
Dollar increase, committee bill	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Percent increase, committee bill	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0-2														
Original DOD proposal	\$800.28	\$800.28	\$800.28	\$800.28	\$800.28	\$800.28	\$800.28	\$800.28	\$800.28	\$800.28	\$800.28	\$800.28	\$800.28	\$800.28
Committee bill	\$800.28	\$800.28	\$800.28	\$800.28	\$800.28	\$800.28	\$800.28	\$800.28	\$800.28	\$800.28	\$800.28	\$800.28	\$800.28	\$800.28
Dollar increase, committee bill	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Percent increase, committee bill	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0-3														
Original DOD proposal	\$952.80	\$952.80	\$952.80	\$952.80	\$952.80	\$952.80	\$952.80	\$952.80	\$952.80	\$952.80	\$952.80	\$952.80	\$952.80	\$952.80
Committee bill	\$952.80	\$952.80	\$952.80	\$952.80	\$952.80	\$952.80	\$952.80	\$952.80	\$952.80	\$952.80	\$952.80	\$952.80	\$952.80	\$952.80
Dollar increase, committee bill	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Percent increase, committee bill	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0-4														
Original DOD proposal	\$1,174.24	\$1,174.24	\$1,174.24	\$1,174.24	\$1,174.24	\$1,174.24	\$1,174.24	\$1,174.24	\$1,174.24	\$1,174.24	\$1,174.24	\$1,174.24	\$1,174.24	\$1,174.24
Committee bill	\$1,174.24	\$1,174.24	\$1,174.24	\$1,174.24	\$1,174.24	\$1,174.24	\$1,174.24	\$1,174.24	\$1,174.24	\$1,174.24	\$1,174.24	\$1,174.24	\$1,174.24	\$1,174.24
Dollar increase, committee bill	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Percent increase, committee bill	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0-5														
Original DOD proposal	\$1,474.24	\$1,474.24	\$1,474.24	\$1,474.24	\$1,474.24	\$1,474.24	\$1,474.24	\$1,474.24	\$1,474.24	\$1,474.24	\$1,474.24	\$1,474.24	\$1,474.24	\$1,474.24
Committee bill	\$1,474.24	\$1,474.24	\$1,474.24	\$1,474.24	\$1,474.24	\$1,474.24	\$1,474.24	\$1,474.24	\$1,474.24	\$1,474.24	\$1,474.24	\$1,474.24	\$1,474.24	\$1,474.24
Dollar increase, committee bill	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Percent increase, committee bill	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0-6														
Original DOD proposal	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00
Committee bill	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00
Dollar increase, committee bill	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Percent increase, committee bill	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0-7														
Original DOD proposal	\$2,174.24	\$2,174.24	\$2,174.24	\$2,174.24	\$2,174.24	\$2,174.24	\$2,174.24	\$2,174.24	\$2,174.24	\$2,174.24	\$2,174.24	\$2,174.24	\$2,174.24	\$2,174.24
Committee bill	\$2,174.24	\$2,174.24	\$2,174.24	\$2,174.24	\$2,174.24	\$2,174.24	\$2,174.24	\$2,174.24	\$2,174.24	\$2,174.24	\$2,174.24	\$2,174.24	\$2,174.24	\$2,174.24
Dollar increase, committee bill	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Percent increase, committee bill	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0-8														
Original DOD proposal	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00
Committee bill	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00
Dollar increase, committee bill	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Percent increase, committee bill	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0-9														
Original DOD proposal	\$2,800.00	\$2,800.00	\$2,800.00	\$2,800.00	\$2,800.00	\$2,800.00	\$2,800.00	\$2,800.00	\$2,800.00	\$2,800.00	\$2,800.00	\$2,800.00	\$2,800.00	\$2,800.00
Committee bill	\$2,800.00	\$2,800.00	\$2,800.00	\$2,800.00	\$2,800.00	\$2,800.00	\$2,800.00	\$2,800.00	\$2,800.00	\$2,800.00	\$2,800.00	\$2,800.00	\$2,800.00	\$2,800.00
Dollar increase, committee bill	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Percent increase, committee bill	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Comparison of present basic pay with original DOD proposal and committee bill—Continued  
OFFICERS—Continued

Pay grade	Years of service										
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18
O-1: Present											
Original DOD proposal	\$222.30	\$237.12	\$237.12	\$251.94	\$256.76	\$281.58	\$296.40	\$311.22	\$326.04	\$326.04	\$326.04
Committee bill	\$222.30	\$237.12	\$237.12	\$251.94	\$256.76	\$281.58	\$296.40	\$311.22	\$326.04	\$326.04	\$326.04
Dollar increase, committee bill	0	0	0	0	0	0	0	0	0	0	0
Percent increase, committee bill	0	0	0	0	0	0	0	0	0	0	0
Present increase, committee bill	0	0	0	0	0	0	0	0	0	0	0
W-1: Present											
Original DOD proposal	\$322.90	\$332.90	\$332.90	\$343.20	\$348.04	\$363.17	\$378.30	\$393.43	\$408.56	\$423.70	\$438.83
Committee bill	\$322.90	\$332.90	\$332.90	\$343.20	\$348.04	\$363.17	\$378.30	\$393.43	\$408.56	\$423.70	\$438.83
Dollar increase, committee bill	0	0	0	0	0	0	0	0	0	0	0
Percent increase, committee bill	0	0	0	0	0	0	0	0	0	0	0
Present increase, committee bill	0	0	0	0	0	0	0	0	0	0	0
W-2: Present											
Original DOD proposal	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64
Committee bill	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64
Dollar increase, committee bill	0	0	0	0	0	0	0	0	0	0	0
Percent increase, committee bill	0	0	0	0	0	0	0	0	0	0	0
Present increase, committee bill	0	0	0	0	0	0	0	0	0	0	0
W-3: Present											
Original DOD proposal	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64
Committee bill	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64	\$302.64
Dollar increase, committee bill	0	0	0	0	0	0	0	0	0	0	0
Percent increase, committee bill	0	0	0	0	0	0	0	0	0	0	0
Present increase, committee bill	0	0	0	0	0	0	0	0	0	0	0
W-4: Present											
Original DOD proposal	\$322.90	\$332.90	\$332.90	\$343.20	\$348.04	\$363.17	\$378.30	\$393.43	\$408.56	\$423.70	\$438.83
Committee bill	\$322.90	\$332.90	\$332.90	\$343.20	\$348.04	\$363.17	\$378.30	\$393.43	\$408.56	\$423.70	\$438.83
Dollar increase, committee bill	0	0	0	0	0	0	0	0	0	0	0
Percent increase, committee bill	0	0	0	0	0	0	0	0	0	0	0
Present increase, committee bill	0	0	0	0	0	0	0	0	0	0	0



ENLISTED

E-7:	Present	\$206.39	\$214.03	\$221.68	\$229.32	\$236.96	\$244.61	\$252.25	\$259.90	\$267.54	\$275.18	\$282.83	\$290.47	\$298.11	\$305.76
	Original DOD proposal	\$206.39	\$218.40	\$224.00	\$233.50	\$241.30	\$249.00	\$256.80	\$264.60	\$272.40	\$280.20	\$288.00	\$295.80	\$303.60	\$311.40
	Committee bill	\$206.39	\$220.10	\$227.90	\$235.50	\$243.30	\$251.00	\$258.80	\$266.60	\$274.40	\$282.20	\$290.00	\$297.80	\$305.60	\$313.40
	Dollars increase, committee bill	0	\$15.91	\$16.22	\$18.00	\$17.40	\$17.00	\$17.60	\$17.70	\$17.80	\$17.90	\$18.00	\$18.10	\$18.20	\$18.30
	Percent increase, committee bill	0	7.71	7.32	10.54	10.14	11.61	11.32	11.04	10.76	10.55	10.10	9.69	9.69	9.69
E-6:	Present	\$175.81	\$183.46	\$191.10	\$198.74	\$206.39	\$214.03	\$221.68	\$229.32	\$236.96	\$244.61	\$252.25	\$259.90	\$267.54	\$275.18
	Original DOD proposal	\$175.81	\$195.00	\$204.50	\$214.50	\$224.00	\$234.00	\$244.00	\$254.00	\$264.00	\$274.00	\$284.00	\$294.00	\$304.00	\$314.00
	Committee bill	\$175.81	\$195.00	\$204.50	\$214.50	\$224.00	\$234.00	\$244.00	\$254.00	\$264.00	\$274.00	\$284.00	\$294.00	\$304.00	\$314.00
	Dollars increase, committee bill	0	\$19.19	\$13.40	\$15.80	\$17.60	\$19.00	\$19.90	\$20.70	\$21.50	\$22.30	\$23.10	\$23.90	\$24.70	\$25.50
	Percent increase, committee bill	0	6.48	6.29	11.85	13.28	12.97	12.59	12.24	11.96	11.61	11.04	10.76	10.55	10.10
E-5:	Present	\$145.24	\$152.88	\$160.52	\$168.17	\$175.81	\$183.46	\$191.10	\$198.74	\$206.39	\$214.03	\$221.68	\$229.32	\$236.96	\$244.61
	Original DOD proposal	\$145.24	\$163.80	\$173.00	\$182.00	\$191.00	\$200.00	\$209.00	\$218.00	\$227.00	\$236.00	\$245.00	\$254.00	\$263.00	\$272.00
	Committee bill	\$145.24	\$163.80	\$173.00	\$182.00	\$191.00	\$200.00	\$209.00	\$218.00	\$227.00	\$236.00	\$245.00	\$254.00	\$263.00	\$272.00
	Dollars increase, committee bill	0	\$18.56	\$12.00	\$14.00	\$15.00	\$16.00	\$17.00	\$18.00	\$19.00	\$20.00	\$21.00	\$22.00	\$23.00	\$24.00
	Percent increase, committee bill	0	7.14	7.14	13.64	13.64	14.19	14.19	14.19	14.19	14.19	14.19	14.19	14.19	14.19
E-4:	Present	\$122.30	\$129.95	\$137.59	\$145.24	\$152.88	\$160.52	\$168.17	\$175.81	\$183.46	\$191.10	\$198.74	\$206.39	\$214.03	\$221.68
	Original DOD proposal	\$122.30	\$140.40	\$150.00	\$159.00	\$167.70	\$176.00	\$184.00	\$192.00	\$200.00	\$208.00	\$216.00	\$224.00	\$232.00	\$240.00
	Committee bill	\$122.30	\$140.40	\$150.00	\$159.00	\$167.70	\$176.00	\$184.00	\$192.00	\$200.00	\$208.00	\$216.00	\$224.00	\$232.00	\$240.00
	Dollars increase, committee bill	0	\$18.10	\$10.40	\$10.00	\$11.30	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00
	Percent increase, committee bill	0	8.04	8.04	16.21	13.46	16.02	14.19	13.82	13.35	12.79	12.44	12.00	11.61	11.04
E-3:	Present	\$99.37	\$107.02	\$114.66	\$122.30	\$129.95	\$137.59	\$145.24	\$152.88	\$160.52	\$168.17	\$175.81	\$183.46	\$191.10	\$198.74
	Original DOD proposal	\$99.37	\$117.00	\$126.00	\$135.00	\$144.00	\$153.00	\$162.00	\$171.00	\$180.00	\$189.00	\$198.00	\$207.00	\$216.00	\$225.00
	Committee bill	\$99.37	\$117.00	\$126.00	\$135.00	\$144.00	\$153.00	\$162.00	\$171.00	\$180.00	\$189.00	\$198.00	\$207.00	\$216.00	\$225.00
	Dollars increase, committee bill	0	\$17.63	\$11.33	\$13.00	\$14.00	\$15.00	\$16.00	\$17.00	\$18.00	\$19.00	\$20.00	\$21.00	\$22.00	\$23.00
	Percent increase, committee bill	0	8.33	8.33	14.90	14.90	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
E-2:	Present	\$85.80	\$93.45	\$101.10	\$108.75	\$116.40	\$124.05	\$131.70	\$139.35	\$147.00	\$154.65	\$162.30	\$170.00	\$177.65	\$185.30
	Original DOD proposal	\$85.80	\$101.40	\$109.20	\$117.00	\$124.80	\$132.60	\$140.40	\$148.20	\$156.00	\$163.80	\$171.60	\$179.40	\$187.20	\$195.00
	Committee bill	\$85.80	\$101.40	\$109.20	\$117.00	\$124.80	\$132.60	\$140.40	\$148.20	\$156.00	\$163.80	\$171.60	\$179.40	\$187.20	\$195.00
	Dollars increase, committee bill	0	\$15.60	\$9.60	\$12.00	\$13.00	\$14.00	\$15.00	\$16.00	\$17.00	\$18.00	\$19.00	\$20.00	\$21.00	\$22.00
	Percent increase, committee bill	0	8.33	8.33	14.90	14.90	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
E-1:	Present	\$62.20	\$69.85	\$77.50	\$85.15	\$92.80	\$100.45	\$108.10	\$115.75	\$123.40	\$131.05	\$138.70	\$146.35	\$154.00	\$161.65
	Original DOD proposal	\$62.20	\$78.00	\$85.80	\$93.60	\$101.40	\$109.20	\$117.00	\$124.80	\$132.60	\$140.40	\$148.20	\$156.00	\$163.80	\$171.60
	Committee bill	\$62.20	\$78.00	\$85.80	\$93.60	\$101.40	\$109.20	\$117.00	\$124.80	\$132.60	\$140.40	\$148.20	\$156.00	\$163.80	\$171.60
	Dollars increase, committee bill	0	\$15.80	\$8.00	\$12.00	\$13.00	\$14.00	\$15.00	\$16.00	\$17.00	\$18.00	\$19.00	\$20.00	\$21.00	\$22.00
	Percent increase, committee bill	0	8.33	8.33	14.90	14.90	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
E-1:	Present	\$78.00	\$85.80	\$93.60	\$101.40	\$109.20	\$117.00	\$124.80	\$132.60	\$140.40	\$148.20	\$156.00	\$163.80	\$171.60	\$179.40
	Original DOD proposal	\$78.00	\$93.60	\$101.40	\$109.20	\$117.00	\$124.80	\$132.60	\$140.40	\$148.20	\$156.00	\$163.80	\$171.60	\$179.40	\$187.20
	Committee bill	\$78.00	\$93.60	\$101.40	\$109.20	\$117.00	\$124.80	\$132.60	\$140.40	\$148.20	\$156.00	\$163.80	\$171.60	\$179.40	\$187.20
	Dollars increase, committee bill	0	\$15.60	\$8.00	\$12.00	\$13.00	\$14.00	\$15.00	\$16.00	\$17.00	\$18.00	\$19.00	\$20.00	\$21.00	\$22.00
	Percent increase, committee bill	0	8.33	8.33	14.90	14.90	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00

## Comparison of present incentive pay for hazardous duty with original DOD proposal and committee bill

## OFFICERS

Pay grade	Years of service													
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
O-8:														
	Present	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00
	Original DOD proposal	\$155.00	\$155.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00
	Committee bill	\$155.00	\$155.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00
	Dollar increase, committee bill	\$5.00	\$5.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
O-7:														
	Present	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00
	Original DOD proposal	\$150.00	\$150.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00
	Committee bill	\$150.00	\$150.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00
	Dollar increase, committee bill	0	0	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
O-6:														
	Present	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00
	Original DOD proposal	\$200.00	\$200.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00
	Committee bill	\$200.00	\$200.00	\$215.00	\$215.00	\$215.00	\$215.00	\$215.00	\$215.00	\$215.00	\$215.00	\$215.00	\$215.00	\$215.00
	Dollar increase, committee bill	-\$10.00	-\$10.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
O-5:														
	Present	\$180.00	\$180.00	\$180.00	\$180.00	\$180.00	\$180.00	\$180.00	\$180.00	\$180.00	\$180.00	\$180.00	\$180.00	\$180.00
	Original DOD proposal	\$190.00	\$190.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00
	Committee bill	\$190.00	\$190.00	\$205.00	\$205.00	\$205.00	\$205.00	\$205.00	\$205.00	\$205.00	\$205.00	\$205.00	\$205.00	\$205.00
	Dollar increase, committee bill	\$10.00	\$10.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
O-4:														
	Present	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00
	Original DOD proposal	\$170.00	\$170.00	\$180.00	\$180.00	\$180.00	\$180.00	\$180.00	\$180.00	\$180.00	\$180.00	\$180.00	\$180.00	\$180.00
	Committee bill	\$170.00	\$170.00	\$185.00	\$185.00	\$185.00	\$185.00	\$185.00	\$185.00	\$185.00	\$185.00	\$185.00	\$185.00	\$185.00
	Dollar increase, committee bill	\$20.00	\$20.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00
O-3:														
	Present	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00
	Original DOD proposal	\$145.00	\$145.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00
	Committee bill	\$145.00	\$145.00	\$155.00	\$155.00	\$155.00	\$155.00	\$155.00	\$155.00	\$155.00	\$155.00	\$155.00	\$155.00	\$155.00
	Dollar increase, committee bill	\$25.00	\$25.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00
O-2:														
	Present	\$110.00	\$110.00	\$110.00	\$110.00	\$110.00	\$110.00	\$110.00	\$110.00	\$110.00	\$110.00	\$110.00	\$110.00	\$110.00
	Original DOD proposal	\$115.00	\$125.00	\$130.00	\$130.00	\$130.00	\$130.00	\$130.00	\$130.00	\$130.00	\$130.00	\$130.00	\$130.00	\$130.00
	Committee bill	\$115.00	\$125.00	\$130.00	\$130.00	\$130.00	\$130.00	\$130.00	\$130.00	\$130.00	\$130.00	\$130.00	\$130.00	\$130.00
	Dollar increase, committee bill	\$5.00	\$15.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00



## CAREER INCENTIVE ACT OF 1955

Comparison of present incentive pay for hazardous duty with original DOD proposal and committee bill—Continued

ENLISTED—Continued

Pay grade	Years of service										
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18
E-5: Present	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00
Original DOD proposal	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00
Committee bill	\$90.00	\$70.00	\$70.00	\$80.00	\$80.00	\$85.00	\$80.00	\$85.00	\$85.00	\$85.00	\$85.00
Dollar increase, committee bill	0	\$10.00	\$10.00	\$20.00	\$20.00	\$25.00	\$30.00	\$35.00	\$35.00	\$35.00	\$35.00
Percent increase, committee bill	0	16.67	16.67	33.33	33.33	41.67	50.00	58.33	58.33	58.33	58.33
E-4: Present	\$52.50	\$52.50	\$52.50	\$52.50	\$52.50	\$52.50	\$52.50	\$52.50	\$52.50	\$52.50	\$52.50
Original DOD proposal	\$55.00	\$65.00	\$65.00	\$70.00	\$75.00	\$80.00	\$80.00	\$80.00	\$80.00	\$80.00	\$80.00
Committee bill	\$55.00	\$65.00	\$65.00	\$70.00	\$75.00	\$80.00	\$80.00	\$80.00	\$80.00	\$80.00	\$80.00
Dollar increase, committee bill	\$2.50	\$12.50	\$12.50	\$17.50	\$22.50	\$27.50	\$27.50	\$27.50	\$27.50	\$27.50	\$27.50
Percent increase, committee bill	4.76	23.81	23.81	33.33	42.86	52.38	52.38	52.38	52.38	52.38	52.38
E-3: Present	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00
Original DOD proposal	\$55.00	\$60.00	\$60.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00
Committee bill	\$55.00	\$60.00	\$60.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00
Dollar increase, committee bill	\$10.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
Percent increase, committee bill	22.22	33.33	33.33	33.33	33.33	33.33	33.33	33.33	33.33	33.33	33.33
E-2: Present	\$37.50	\$37.50	\$37.50	\$37.50	\$37.50	\$37.50	\$37.50	\$37.50	\$37.50	\$37.50	\$37.50
Original DOD proposal	\$50.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00
Committee bill	\$50.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00
Dollar increase, committee bill	\$12.50	\$22.50	\$22.50	\$22.50	\$22.50	\$22.50	\$22.50	\$22.50	\$22.50	\$22.50	\$22.50
Percent increase, committee bill	33.33	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00
E-1: Present	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00
Original DOD proposal	\$50.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00
Committee bill	\$50.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00
Dollar increase, committee bill	\$20.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
Percent increase, committee bill	66.67	83.33	83.33	83.33	83.33	83.33	83.33	83.33	83.33	83.33	83.33
E-1 (under 4 months): Present	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00
Original DOD proposal	\$50.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00
Committee bill	\$50.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00
Dollar increase, committee bill	\$20.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
Percent increase, committee bill	66.67	83.33	83.33	83.33	83.33	83.33	83.33	83.33	83.33	83.33	83.33
Aviation cadets	\$50.00										

CAREER INCENTIVE ACT OF 1955

31

The President of the United States recommends enactment of the proposed legislation as indicated in his message to the Congress dated January 13, 1955.

The Committee on Armed Services strongly recommends enactment of the proposed legislation.

The Department of Defense urges adoption of the proposed legislation as indicated by the following attached letter.

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE,  
LEGISLATIVE AND PUBLIC AFFAIRS,  
Washington 25, D. C., January 15, 1955.

HON. SAM RAYBURN,  
*Speaker of the House of Representatives.*

DEAR MR. SPEAKER: There is forwarded herewith a draft of legislation to provide incentives for members of the uniformed services by increasing certain pays and allowances.

This proposal is a part of the Department of Defense legislative program for 1955, and the Bureau of the Budget advises that the proposal is in accord with the program of the President. The Office of the Secretary of Defense has assumed action responsibility for this legislation. It is recommended that this proposal be enacted by the Congress.

PURPOSE OF THE LEGISLATION

This legislation implements the President's recommendations concerning military career incentives contained in the recent state of the Union address and in his special message to the Congress on January 13, 1955.

This proposal is designed to restore the military pay structure to approximately the same relative position in the economy which it held immediately following the enactment of the Career Compensation Act of 1949. With regard to basic pay the bill would provide selective increases for personnel who elect to make a career in the uniformed services.

On September 1, 1954, a special committee was established within the Department of Defense to study the military pay and allowance structure and to recommend substantive legislation designed to modernize that structure. The committee observed that there has been a sharp decrease in the number of reenlistments in the Armed Forces, for example, in 1949 the Army had a reenlistment rate of 41.2 percent but in 1954 that rate dropped to 11.6 percent.

At the present low reenlistment rates it will be necessary to replace 800,000 of the 1 million enlisted men who will become eligible for release from the military services during the coming year. The loss of such large numbers of trained men results in the dissipation of a considerable financial investment which the Government has made in the training of such individuals, both basic and specialized training; and necessitates the reinvestment of time and money in new personnel, in order to bring those individuals to the same level of efficiency possessed by trained military members. If the pattern continues at the current composite reenlistment rate of 20 percent, the burden of constantly reinvesting training costs for 80 percent of the personnel will not only result in greatly increased costs to the Armed Forces, but will also cause an unhealthy dilution of the trained military force.

The situation is equally acute with regard to young officers whose training in their initial years of service involves a substantial expenditure. For example, in the Navy approximately 4,000 young officers terminated their obligated military service in calendar year 1954. Out of that number only 200 elected to remain in the active service. Additionally of this 200, 141 requested extensions of their active duty for only 6 months. Forty-six requested, and received, active-duty agreements varying from 1 to 5 years and 13 expressed an interest in transferring to the Regular Navy. Experience in the other services is generally the same as that of the Navy. As a result, there is an alarming shortage of officers in the 4- to 10-year experience category. Failure to attract more officers who will serve on a career basis will cause a deterioration in leadership and skill which will endanger our future security.

Field studies of the problem of high military personnel turnover reveal that there are two major factors dissuading personnel who might otherwise reenlist. These are the level of compensation in relation to private industry; and the instability of military life. The rise of widespread supplementary pay and

retirement practices and employees' benefits now being granted in private industry has neutralized any advantage the military services had only a few years ago in procurement and retention of career personnel.

Additionally, this legislative proposal would provide for selective increases in incentive-hazardous duty pay for air and submarine crews and would also increase the hazardous-duty pay for demolition work, parachute duty, deep-sea diving, and certain other specialties.

The Department of Defense is convinced that the military services must offer adequate special pay in order to attract men who are willing to undertake certain unusually hazardous duties involving risks of death or disability in the execution of military functions. It is believed that this legislation will provide a more adequate incentive for men to engage in such hazardous duties than is now provided under current law.

The per diem allowances for temporary travel duty would be raised from \$9, but not to exceed \$12, per day and a dislocation allowance would be provided military personnel with dependents who are ordered to a new permanent duty station. The proposed dislocation allowance is based on the principle that persons who must move to new stations of duty on the orders of their employer should be assisted in absorbing the additional costs of such dislocation. The practice of providing an additional monetary allowance for this purpose is widely used in private industry as well as in the Armed Forces of many other countries. Surveys conducted by the military services reveal that moving costs to the servicemen generally vary in amounts relating to grade and that such costs exceed the amount of the monthly quarters allowance.

#### COST AND BUDGET DATA

In the event this legislation is enacted it is estimated that the following increased costs will result for the Department of Defense for fiscal year 1956.

	<i>In millions</i>
Army .....	\$222.4
Navy .....	205.3
Air Force .....	265.6
Marine Corps .....	36.4
Total .....	729.7

While such increased costs were not included within the proposed operating budget for fiscal year 1956, funds for this and certain other items will be shown in the budget as proposed for later transmission, contingent upon authorizing legislation.

Sincerely yours,

RICHARD A. BUDDEKE,  
Director, Legislative Programs.

In compliance with paragraph 3 of rule XIII of the Rules of the the text of the provisions of existing law which would be amended by

## EXISTING LAW

Career Compensation Act of 1949 (63 Stat. 804), as amended:

Sec. 201 (a). For the purpose of computing the basic pay of members of the uniformed services, pay grades are prescribed and monthly basic pay for such members is established within each pay grade according to cumulative years of service, as follows

## COMMISSIONED OFFICERS

Pay grade	Under 2	Over 2	Over 4	Over 6	Over 8	Over 10	Over 12
O-8.....	\$963.30	\$963.30	\$963.30	\$963.30	\$963.30	\$963.30	\$963.30
O-7.....	800.28	800.28	800.28	800.28	800.28	800.28	800.28
O-6.....	592.80	592.80	592.80	592.80	592.80	592.80	592.80
O-5.....	474.24	474.24	474.24	474.24	474.24	474.24	474.24
O-4.....	400.14	400.14	400.14	400.14	414.96	429.78	444.60
O-3.....	326.04	326.04	340.86	355.68	370.50	385.32	400.14
O-2.....	259.36	274.18	289.00	303.82	318.64	333.46	348.28
O-1.....	222.30	237.12	251.94	266.76	281.58	296.40	311.22

  

Pay grade	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
O-8.....	\$963.30	\$963.30	\$963.30	\$963.30	\$963.30	\$992.94
O-7.....	800.28	800.28	800.28	800.28	829.92	859.56
O-6.....	592.80	607.62	637.26	666.90	696.54	726.18
O-5.....	503.88	518.70	548.34	577.98	607.62	637.26
O-4.....	459.42	474.24	503.88	518.70	533.52	533.52
O-3.....	414.96	429.78	444.60	459.42	459.42	459.42
O-2.....	363.10	363.10	363.10	363.10	363.10	363.10
O-1.....	326.04	326.04	326.04	326.04	326.04	326.04

## WARRANT OFFICERS

Pay grade	Under 2	Over 2	Over 4	Over 6	Over 8	Over 10	Over 12
W-4.....	\$332.90	\$332.90	\$332.90	\$348.04	\$363.17	\$378.30	\$393.43
W-3.....	302.64	302.64	302.64	310.21	317.77	325.34	332.90
W-2.....	264.82	264.82	264.82	264.82	272.38	279.95	287.51
W-1.....	219.42	219.42	219.42	226.98	234.55	242.11	249.68

  

Pay grade	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
W-4.....	\$408.56	\$423.70	\$438.83	\$453.96	\$469.09	\$484.22
W-3.....	340.48	348.04	363.17	378.30	393.43	408.56
W-2.....	295.08	302.64	317.77	332.90	348.04	363.17
W-1.....	257.24	264.82	279.95	295.08	310.21	310.21

House of Representatives there is printed below in parallel columns various provisions of the bill.

THE BILL

SEC. 2. The Career Compensation Act of 1949 (63 Stat. 804), as amended, is further amended as follows:

(1) Section 201 (a) is amended by striking out the tables therein and inserting the following in lieu thereof:

COMMISSIONED OFFICERS

Pay grade	Years of service						
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10
O-8-----	\$963.30	\$963.30	\$1,021.80	\$1,021.80	\$1,021.80	\$1,021.80	\$1,021.80
O-7-----	800.28	800.28	850.20	850.20	850.20	850.20	850.20
O-6-----	592.80	592.80	631.80	631.80	631.80	631.80	631.80
O-5-----	474.24	474.24	507.00	507.00	507.00	507.00	507.00
O-4-----	400.14	400.14	429.00	429.00	429.00	429.00	429.00
O-3-----	326.04	326.04	351.00	374.40	405.60	421.20	436.80
O-2-----	259.36	274.18	335.40	335.40	351.00	366.60	382.20
O-1-----	222.30	237.12	296.40	296.40	312.00	327.60	343.20

Pay grade	Years of service						
	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
O-8-----	\$1,021.80	\$1,021.80	\$1,021.80	\$1,021.80	\$1,021.80	\$1,021.80	\$1,076.40
O-7-----	850.20	850.20	850.20	850.20	850.20	904.80	967.20
O-6-----	631.80	631.80	655.20	717.60	748.80	780.00	811.20
O-5-----	530.40	561.60	577.20	608.40	639.60	670.80	670.80
O-4-----	499.20	514.80	530.40	561.60	577.20	592.80	592.80
O-3-----	452.40	468.00	483.60	499.20	514.80	514.80	514.80
O-2-----	397.80	413.40	413.40	413.40	413.40	413.40	413.40
O-1-----	358.80	374.40	374.40	374.40	374.40	374.40	374.40

WARRANT OFFICERS

Pay grade	Years of service						
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10
W-4-----	\$332.90	\$354.90	\$354.90	\$354.90	\$370.50	\$386.10	\$401.70
W-3-----	302.64	323.70	323.70	323.70	331.50	339.30	347.10
W-2-----	264.82	280.80	280.80	280.80	288.60	304.20	319.80
W-1-----	219.42	251.20	251.20	251.20	266.80	286.30	294.10

Pay grade	Years of service						
	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
W-4-----	\$421.20	\$452.40	\$468.00	\$483.60	\$499.20	\$514.80	\$530.40
W-3-----	358.80	374.40	382.20	405.60	428.00	443.60	459.20
W-2-----	335.40	350.00	357.80	373.40	389.00	404.60	420.20
W-1-----	305.80	313.60	321.40	337.00	352.60	368.20	383.80



EXISTING LAW  
ENLISTED PERSONS

Pay grade	Under 2	Over 2	Over 4	Over 6	Over 8	Over 10	Over 12
E-7	\$206.39	\$206.39	\$214.03	\$221.68	\$229.32	\$236.96	\$244.61
E-6	175.81	175.81	183.46	191.10	198.74	206.39	214.03
E-5	145.24	152.88	160.52	168.17	175.81	183.46	191.10
E-4	122.30	129.95	137.59	145.24	152.88	160.52	168.17
E-3	99.37	107.02	114.66	122.30	129.95	137.59	145.24
E-2	85.80	93.40	101.40	109.20	117.00	124.80	132.60
E-1 (over 4 months)	83.20	91.00	98.80	98.80	98.80	98.80	98.80
E-1 (under 4 months)	78.00						

  

Pay grade	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
E-7	\$252.25	\$259.90	\$275.18	\$290.47	\$305.76	\$305.76
E-6	221.68	229.32	244.61	259.90	275.18	259.90
E-5	198.74	206.39	221.68	236.96	252.25	236.96
E-4	175.81	183.46	198.74	198.74	198.74	198.74
E-3	152.88	152.88	152.88	152.88	152.88	152.88
E-2	124.80	124.80	124.80	124.80	124.80	124.80
E-1	98.80	98.80	98.80	98.80	98.80	98.80

SEC. 201 (d). For basic pay purposes, enlisted persons shall be distributed by the Secretary concerned in the various pay grades prescribed for enlisted persons in subsection (a) of this section.

SEC. 201 (e). All members of the uniformed services when on the active list when on active duty, or when participating in full-time training, training duty with pay or other full-time duty (provided for or authorized in the National Defense Act, as amended, or in the Naval Reserve Act of 1938, as amended, or in other provisions of law, including participation in exercises or performance of the duties provided for by sections 5, 81, 94, 97, and 99 of the National Defense Act, as amended), and in addition thereto, all members of the National Guard and the Air National Guard when they are entitled by law to receive from the Federal Government the same pay as that authorized for members of the Regular components of the uniformed services of corresponding grade or rank, shall be entitled to receive the basic pay of the pay grade to which assigned, or in which distributed, pursuant to subsection (b), (c), or (d) of this section, in accordance with cumulative years of service: *Provided*, That in accordance with regulations prescribed by the President, in the case of members of the uniformed services called or ordered to extended active duty in excess of thirty days, active duty shall include the time required to perform travel from home to first duty station and from last duty station to home by the mode of transportation authorized in orders for such members: *Provided further*, That any full-time training, training duty with pay, or other full-time duty performed by members of the National Guard of the United States or the Air National Guard of the United States, pursuant to this section, while in their status as members of the National Guard or the Air National Guard of the several States, Territories, and the District of Columbia and which entitles them to receive basic pay, shall be deemed to be active duty in the service of the United States.

SEC. 204 (a). Subject to such regulations as may be prescribed by the President, members of the uniformed services entitled to receive basic pay shall, in addition thereto, be entitled to receive incentive pay for the performance of hazardous duty required by competent orders. The following duties shall constitute hazardous duties:

THE BILL  
ENLISTED PERSONS

Pay grade	Years of service						
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10
E-7 .....	\$206.39	\$222.30	\$222.30	\$230.10	\$237.90	\$253.50	\$261.30
E-6 .....	175.81	187.20	187.20	195.00	214.50	222.30	234.00
E-5 .....	145.24	163.80	163.80	183.80	191.10	202.80	210.60
E-4 .....	122.30	140.40	140.40	159.90	167.70	179.40	187.20
E-3 .....	99.37	117.00	117.00	132.60	140.40	148.20	156.00
E-2 .....	85.80	101.40	101.40	109.20	117.00	124.80	132.60
E-1 .....	83.20	98.80	98.80	106.60	106.60	106.60	106.60
E-1 (under 4 months) .....	78.00						

  

Pay grade	Years of service						
	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
E-7 .....	\$273.00	\$280.80	\$288.60	\$304.20	\$319.80	\$335.40	\$335.40
E-6 .....	241.80	249.60	257.40	273.00	288.60	288.60	288.60
E-5 .....	218.40	226.20	234.00	241.80	257.50	257.50	257.50
E-4 .....	195.00	202.80	210.60	218.40	218.40	218.40	218.40
E-3 .....	159.90	163.80	163.80	163.80	163.80	163.80	163.80
E-2 .....	132.60	132.60	132.60	132.60	132.60	132.60	132.60
E-1 .....	106.60	106.60	106.60	106.60	106.60	106.60	106.60

(2) Section 201 is further amended by redesignating subsections "(d)" and "(e)" as "(e)" and "(d)", respectively.

(3) Section 201 is further amended by adding the following new subsection:  
 "(e) Aviation cadets enlisted or appointed under the Army Aviation Cadet Act (55 Stat. 239), as amended, or under the Naval Aviation Cadet Act of 1942 (56 Stat. 737), as amended, are entitled to monthly pay at the rate of 50 per centum of the basic pay of a commissioned officer in pay grade O-1 with under two cumulative years of service."

(4) Section 204 (a) is amended by

EXISTING LAW

- (1) duty as a crew member as determined by the Secretary concerned, involving frequent and regular participation in aerial flight;
- (2) duty on board a submarine, including submarines under construction from the time builders' trials commence;
- (3) duty involving frequent and regular participation in aerial flights not as a crew member pursuant to part (1) of this subsection;
- (4) duty involving frequent and regular participation in glider flights;
- (5) duty involving parachute jumping as an essential part of military duty;
- (6) duty involving intimate contact with persons afflicted with leprosy;
- (7) duty involving the demolition of explosives as a primary duty, including training for such duty;
- (8) duty at a submarine escape training tank, when such duty involves participation in the training; and
- (9) duty at the Navy Deep Sea Diving School or the Navy Experimental Diving Unit, when such duty involves participation in training.

SEC. 204 (b). For the performance of hazardous duty as prescribed in part (1) or (2) of subsection (a) of this section, members of the uniformed services qualifying for the incentive pay authorized pursuant to said subsection shall be entitled to be paid at the following monthly rates according to the pay grade to which assigned or in which distributed for basic pay purposes:

<i>Pay grade</i>	<i>Monthly rate</i>
O-8.....	\$150.00
O-7.....	150.00
O-6.....	210.00
O-5.....	180.00
O-4.....	150.00
O-3.....	120.00
O-2.....	110.00
O-1.....	100.00

THE BILL

(A) striking out the word "part" in clause (3) and inserting the word "clause" in lieu thereof;

(B) striking out the word "and" at the end of clause (8);

(C) striking out the period at the end of clause (9) and inserting a semicolon in lieu thereof; and

(D) adding the following new clauses:

"(10) duty as low-pressure chamber inside observer;

"(11) duty as human acceleration or deceleration experimental subject; and

"(12) duty involving the use of helium-oxygen for a breathing mixture in the execution of deep-sea diving."

(5) Section 204 (b) is amended to read as follows:

"(b) For the performance of hazardous duty as prescribed in clause (1) or (2) of subsection (a) of this section, a member of a uniformed service qualifying for incentive pay thereunder is entitled to pay at a monthly rate as follows:

INCENTIVE PAY FOR HAZARDOUS DUTY PERFORMED UNDER SECTION 204 (A) (1)  
AND (2)

COMMISSIONED OFFICERS

Pay grade	Years of service						
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10
O-8.....	\$155.00	\$155.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00
O-7.....	150.00	150.00	160.00	160.00	160.00	160.00	160.00
O-6.....	200.00	200.00	215.00	215.00	215.00	215.00	215.00
O-5.....	190.00	190.00	205.00	205.00	205.00	205.00	205.00
O-4.....	170.00	170.00	185.00	185.00	185.00	185.00	185.00
O-3.....	145.00	145.00	155.00	155.00	155.00	155.00	155.00
O-2.....	115.00	125.00	150.00	150.00	160.00	165.00	170.00
O-1.....	100.00	105.00	135.00	135.00	140.00	145.00	155.00

Pay grade	Years of service						
	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
O-8.....	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00
O-7.....	160.00	160.00	160.00	160.00	160.00	160.00	160.00
O-6.....	215.00	215.00	220.00	245.00	245.00	245.00	245.00
O-5.....	210.00	225.00	230.00	245.00	245.00	245.00	245.00
O-4.....	215.00	220.00	230.00	240.00	240.00	240.00	240.00
O-3.....	200.00	205.00	205.00	205.00	205.00	205.00	205.00
O-2.....	180.00	185.00	185.00	185.00	185.00	185.00	185.00
O-1.....	160.00	170.00	170.00	170.00	170.00	170.00	170.00

## EXISTING LAW

<i>Pay grade</i>	<i>Monthly rate</i>
W-4.....	\$100.00
W-3.....	100.00
W-2.....	100.00
W-1.....	100.00

<i>Pay grade</i>	<i>Monthly rate</i>
E-7.....	\$75.00
E-6.....	67.50
E-5.....	60.00
E-4.....	52.50
E-3.....	45.00
E-2.....	37.50
E-1.....	30.00

SEC. 204 (c). For the performance of any hazardous duty as prescribed in parts (3) to (9), inclusive, of subsection (a) of this section by officers and enlisted persons qualifying for the incentive pay authorized pursuant to said subsection, officers shall be entitled to be paid at the rate of \$100 per month, and enlisted persons shall be entitled to be paid at the rate of \$50 per month.

SEC. 204 (e). No aviation cadet shall be entitled to receive any incentive pay authorized pursuant to this section.

SEC. 204 (f). No member of the uniformed services shall be entitled to receive more than one payment of any incentive pay authorized pursuant to this section for the same period of time during which he may qualify for more than one payment of such incentive pay.

SEC. 205 (a). An enlisted person of the uniformed services entitled to receive basic pay and assigned to duty of diving shall, in addition to basic pay, be entitled to receive special pay, under such regulations as may be prescribed by the Secretary concerned, at the rate of not less than \$5 per month and not exceeding \$30 per month.

**THE BILL**  
**WARRANT OFFICERS**

Pay grade	Years of service						
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10
W-4.....	\$115.00	\$115.00	\$115.00	\$115.00	\$120.00	\$125.00	\$135.00
W-3.....	110.00	115.00	115.00	115.00	120.00	120.00	125.00
W-2.....	105.00	110.00	110.00	110.00	115.00	120.00	125.00
W-1.....	100.00	105.00	105.00	105.00	110.00	120.00	125.00

Pay grade	Years of service						
	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
W-4.....	\$145.00	\$155.00	\$160.00	\$165.00	\$165.00	\$165.00	\$165.00
W-3.....	135.00	140.00	140.00	140.00	140.00	140.00	140.00
W-2.....	130.00	135.00	135.00	135.00	135.00	135.00	135.00
W-1.....	130.00	130.00	130.00	130.00	130.00	130.00	130.00

**ENLISTED PERSONS**

Pay grade	Years of service						
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10
E-7.....	\$80.00	\$85.00	\$85.00	\$85.00	\$90.00	\$95.00	\$100.00
E-6.....	70.00	75.00	75.00	80.00	85.00	90.00	95.00
E-5.....	60.00	70.00	70.00	80.00	80.00	85.00	90.00
E-4.....	55.00	65.00	65.00	70.00	75.00	80.00	80.00
E-3.....	55.00	60.00	60.00	60.00	60.00	60.00	60.00
E-2.....	50.00	60.00	60.00	60.00	60.00	60.00	60.00
E-1.....	50.00	55.00	55.00	55.00	55.00	55.00	55.00
E-1 (under 4 months).....	50.00						
Aviation cadets.....	50.00						

Pay grade	Years of service						
	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
E-7.....	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00
E-6.....	95.00	100.00	100.00	100.00	100.00	100.00	100.00
E-5.....	95.00	95.00	95.00	95.00	95.00	95.00	95.00
E-4.....	80.00	80.00	80.00	80.00	80.00	80.00	80.00
E-3.....	60.00	60.00	60.00	60.00	60.00	60.00	60.00
E-2.....	60.00	60.00	60.00	60.00	60.00	60.00	60.00
E-1.....	55.00	55.00	55.00	55.00	55.00	55.00	55.00

(6) Section 204 (c) is amended to read as follows:

“(c) Officers and enlisted persons of the uniformed services who are qualified for the incentive pay authorized under subsection (a) are entitled to be paid at the rate of \$110 and \$55 per month, respectively, for the performance of any hazardous duty described in clauses (3) to (12) of subsection (a).”

(7) Section 204 (c) is repealed and subsection “(f)” is redesignated as “(e)”.

(8) Section 205 (a) is amended by striking out the figures “\$5” and “\$30” and inserting in lieu thereof the figures “\$5.50” and “\$33”, respectively.

EXISTING LAW

SEC. 205 (b). Members of the uniformed services entitled to receive basic pay and employed as divers in actual salvage or repair operations in depths of over ninety feet, or in depths of less than ninety feet, when the officer in charge of the salvage or repair operation shall find, in accordance with regulations prescribed by the Secretary concerned, that extraordinary hazardous conditions exist, shall, in addition to basic pay, be entitled to receive the sum of \$5 per hour for each hour or fraction thereof while so employed. The amounts authorized to be paid pursuant to this subsection shall, in the case of enlisted persons, be in addition to the amounts authorized pursuant to subsection (a) of this section.

SEC. 205 (c). No member of the uniformed services shall be entitled to receive the special pay authorized pursuant to this section in addition to incentive pay authorized pursuant to section 204 of this Act.

SEC. 303 (a). \* \* \* The travel and transportation allowances which shall be authorized for each type of travel shall be limited to one of the following: (1) Transportation in kind, reimbursement therefor, or a monetary allowance in lieu of cost of transportation at a rate not in excess of 7 cents per mile based on distances established or to be established over the shortest usually traveled routes, in accordance with mileage tables prepared by the Chief of Finance of the Department of the Army under the direction of the Secretary of the Army, (2) transportation in kind, reimbursement therefor, or a monetary allowance as provided in (1) of this sentence, plus a per diem in lieu of subsistence not to exceed \$9 per day, or (3) for travel within the continental limits of the United States a mileage allowance of not exceeding 10 cents per mile based on distances established or to be established pursuant to existing law:

SEC. 303 (c). In addition to the allowances authorized above, under such conditions and limitations and for such ranks, grades, or ratings and to and from such locations as may be prescribed by the Secretaries concerned, members of the uniformed services when ordered to make a change of permanent station shall be entitled to transportation in kind for dependents or to reimbursement therefor, or to a monetary allowance in lieu of such transportation in kind at a rate to be prescribed not in excess of the rate authorized in subsection (a) of this section, and in connection with a change of station (whether temporary or permanent), to transportation (including packing, crating, drayage, temporary storage, and unpacking) of baggage and household effects, or reimbursement therefor, to and from such locations and within such weight allowances as may be prescribed by the Secretaries, without regard to the comparative costs of the various modes of transportation. \* \* \*

SEC. 508. Cadets at the United States Military Academy, midshipmen at the United States Naval Academy, and cadets at the Coast Guard Academy shall be entitled to receive pay at the rate of \$973.44 per annum, and to receive allowances as now or hereafter provided by law for midshipmen in the Navy, and to transportation, including reimbursement of traveling expenses, while traveling under orders as a cadet or midshipman.

**THE BILL**

(9) Section 205 (b) is amended by striking out the figure "\$5" and inserting the figure "\$5.50" in lieu thereof.

(10) Section 205 (c) is amended by adding the following at the end thereof:

"However, receipt of incentive pay under that section does not bar the member from entitlement to \$5.50 for each hour or fraction thereof in addition to basic pay, as authorized by subsection (b) of this section."

(11) The last sentence of section 303 (a) is amended by striking out the figure "\$9" in clause (2) and inserting in lieu thereof the figure "\$12".

(12) Section 303 (c) is amended by inserting the following at the end of the first sentence thereof:

"Under such regulations as may be approved by the Secretary concerned, a member of a uniformed service whose dependents are authorized to move and actually move in connection with his permanent change of station shall be entitled to a dislocation allowance equal to his monthly basic allowance for quarters. However, the member shall be entitled to the payment of a dislocation allowance for not more than one permanent change of station during any fiscal year, except on the finding of the Secretary of the Department concerned that the exigencies of the service require more than one such change of station during any fiscal year. This limitation upon the payment of a dislocation allowance shall not apply to members of the uniformed services ordered to service schools as a permanent change of station. In addition, this limitation shall not be applicable in time of war or national emergency declared after the effective date of this amendatory Act. A member is not entitled to payment of a dislocation allowance when ordered from home to first duty station or from last duty station to home."

(13) Section 508 is further amended to read as follows:

"Cadets at the United States Military Academy, midshipmen at the United States Naval Academy, cadets at the United States Air Force Academy, and cadets at the Coast Guard Academy shall be entitled to receive pay at the rate of 50 per centum of the basic pay established for a commissioned officer in pay grade O-1 with under two cumulative years' service, and to receive allowances as now or hereafter provided by law for midshipmen in the Navy, and to transportation, including reimbursement of traveling expenses, while traveling under orders as a cadet or midshipman."



EXISTING LAW

SEC. 202 (d). The period of time to be counted in the computation of basic pay shall be the total of all periods authorized to be counted for such purpose in any of the uniformed services, but the same period of time shall not, for any reason, be counted more than once: *Provided*, That retired enlisted men heretofore or hereafter retired with credit for thirty years' service in the Army, Navy, or Marine Corps, and who served beyond the continental limits of the United States between 1898-1912, such service having been computed under previous laws as double time toward retirement, shall be entitled to receive the maximum retired pay now or hereafter provided for the grade in which retired.

Naval Aviation Cadet Act of 1942 (56 Stat. 737), as Amended (34 U. S. C. 850c)

SEC. 4. Aviation cadets, while on active duty, shall be entitled to be paid at the rate of \$109.20 per month, which pay shall include extra pay for flying. They shall be entitled to receive, in addition the same allowance for subsistence as is now or may hereafter be authorized for officers of the Navy, and shall, while on active duty, be furnished quarters, medical care, and hospitalization, and shall be issued uniforms, clothing, and equipment at Government expense. When traveling under orders, aviation cadets shall be entitled to receive transportation and other necessary expenses incident to such travel, or cash in lieu thereof, on the same basis and at the same rates as are now or may hereafter be prescribed for enlisted personnel of the Navy.

Army Aviation Cadet Act (55 Stat. 240), as amended (10 U. S. C. 303, 304, 304b)

SEC. 4. Aviation cadets, while on active duty, shall be entitled to be paid at the rate of \$109.20 per month, which pay shall include extra pay for flying. They shall be entitled to receive, in addition, the same allowance for subsistence as is now or may hereafter be authorized for officers of the Army, and shall, while on active duty be furnished quarters, medical care, and hospitalization, and shall be issued uniforms, clothing, and equipment at Government expense. When traveling under orders, aviation cadets shall be entitled to receive transportation and other necessary expenses incident to such travel, or cash in lieu thereof, on the same basis and at the same rates as are now or may hereafter be prescribed for enlisted personnel of the Army.

THE BILL

(14) Section 202 (d) is amended by striking out the period at the end thereof, inserting a comma and adding the following:

"including retired enlisted men advanced to commissioned officer rank on the retired list by virtue of the Act of May 7, 1932 (Public Law 123, Seventy-second Congress)."

Sec. 3. Section 4 of the Naval Aviation Cadet Act of 1942, as amended (34 U. S. C. 850c) is amended by—

(1) striking out the first sentence; and

(2) amending the second sentence to read as follows:

"Aviation cadets, while on active duty, are entitled to the same allowances for subsistence now or hereafter provided for officers of the Navy, and shall, while on active duty, be furnished quarters, medical care, and hospitalization, and have issued to them uniforms, clothing, and equipment at Government expense."

Sec. 4. Section 4 of the Army Aviation Cadet Act, as amended (10 U. S. C. 303, 304, 304b), is amended by—

(1) striking out the first sentence; and

(2) amending the second sentence to read as follows:

"Aviation cadets, while on active duty, are entitled to the same allowances for subsistence now or hereafter provided for officers of the Army, and shall, while on active duty, be furnished quarters, medical care, and hospitalization, and have issued to them uniforms, clothing and equipment at Government expense."

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